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August 28, 2007

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, N.W.
TW-A325
Washington, D.C. 20554

Re: NECA 2008 Modification of the Average Schedule Universal Service High Cost Loop Support Formula, CC Docket No. 96-45

Dear Ms. Dortch:

In compliance with the Wireline Competition Bureau's Order, released on December 30, 2004 (DA 04-4070), attached is NECA's 2008 Modification of the Average Schedule Universal Service High Cost Loop Support Formula. This filing contains proposed modifications to the formula used to calculate interstate universal service fund high cost loop expense adjustments for average schedule companies. These average schedule modifications are scheduled to take effect on January 1, 2008 and remain in effect through December 31, 2008.

In accordance with the Commission's rules, this *2008 Modification of the Average Schedule Universal Service High Cost Loop Support Formula* has been filed electronically in the above-referenced docket.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard A. Askoff".

Attachment:

2008 Modification of the Average Schedule Universal Service High Cost Loop Support Formula

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

2008

**NECA MODIFICATION OF
THE AVERAGE SCHEDULE UNIVERSAL SERVICE
HIGH COST LOOP SUPPORT FORMULA**

August 28, 2007

**NECA
80 South Jefferson Road
Whippany, NJ 07981**

**NECA MODIFICATION OF THE AVERAGE SCHEDULE
UNIVERSAL SERVICE HIGH COST LOOP SUPPORT FORMULA
EFFECTIVE JANUARY 1, 2008**

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**NECA MODIFICATION OF THE AVERAGE SCHEDULE
UNIVERSAL SERVICE HIGH COST LOOP SUPPORT FORMULA
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**NECA MODIFICATION OF THE AVERAGE SCHEDULE
UNIVERSAL SERVICE HIGH COST LOOP SUPPORT FORMULA
EFFECTIVE JANUARY 1, 2008**

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Summary

In this filing, the National Exchange Carrier Association, Inc. (NECA) proposes modifications to the formula used to calculate Universal Service Fund (USF) high cost loop (HCL) expense adjustments for average schedule companies. This formula and associated cost per loop values are intended to govern HCL payments to average schedule companies in the 2008 calendar year.

This filing describes the methods and results of NECA's studies to update the HCL Cost per Loop formula which was adopted by the Commission for use in determining average schedule USF payments in 2007¹.

NECA is making this filing on or before September 1 of this year in response to an order of the Bureau issued on December 30, 2004. In prior years, NECA made this filing by October 1 to coincide with NECA's filing of the annual High Cost Loop Data Submission, filed under Part 36.613 of the Commission's rules. In addition, pursuant to the Bureau's order, NECA is including in this filing a disk of the average schedule companies' data used to develop the proposed formulas.

¹ Federal-State Joint Board on Universal Service, CC Docket No. 96-45, National Exchange Carrier Association, Inc., 2007 Modification of the Average Schedule Universal Service High Cost Loop Support Formula, *Order*, 21 FCC Rcd 188 (2007) (January 9, 2007 Order).

A. Background

The proposed average schedule High Cost Loop (HCL) formula change is needed to assure that the formula produces payments to average schedule companies that simulate payments that would be received by representative cost companies, as required by Section 69.606(a) of the Commission's rules.

NECA proposes herein a formula that relates cost per loop data of sample companies to their loops per exchange values (see Exhibit 1). NECA includes cost per loop amounts based on this model for every average schedule study area in its Annual Universal Service Fund Submission of Study Results. The derived cost per loop amounts, when used with the payment algorithm prescribed in Section 36.631 of the Commission's rules, will produce HCL payments to individual companies consistent with the Commission's rules.

Annual payments to average schedule companies under the proposed formula will total approximately \$46.8 million payable to 388 average schedule study areas in 2008. These payments reflect the maintenance of the cap on the overall fund size. In comparison, payments in 2007 under the current formula are expected to amount to \$48.1² million to 375 study areas. The proposed payments represent a decrease of \$1.3 million, or 2.7%, compared to current payments.

² These payments are less than the \$56.1 million approved by the Bureau in its *January 9, 2007 Order* primarily because of adjustments to the NACPL made to assure that the fund remains under its cap. These adjustments occurred as cost companies updated their data during the past year as permitted by Section 36.612 of the Commission's rules.

It should be noted that the average schedule portion of high cost funding is small in part because average schedule companies generally have costs between 115% and 150% of the capped NACPL, and thus receive support compensating for only a minor portion of their loop costs. High cost loop funding for all rural companies in 2008 will amount to \$1,021 million. If the Commission approves the Cost per Loop formula proposed herein, the \$46.8 million in high cost loop funding made available in 2008 to average schedule companies would represent only 4.6% of the total high cost loop fund³.

³ During each year the capped NACPL adjusts upward because of quarterly data submission by cost companies reducing payments to average schedule companies for all months of the year, compared to payments filed by NECA in its average schedule modification.

B. Procedural Aspects

In preparing proposed formula revisions, NECA receives valuable assistance from the Industry Average Schedule Task Group. This group consists of exchange carrier representatives sponsored by industry associations (*i.e.* the National Telephone Cooperative Association, the Organization for the Promotion and Advancement of Small Telecommunications Companies and the United States Telecom Association). The Task Group meets several times a year during the course of NECA's study, reviews the steps taken in developing the proposed formulas, advises NECA regarding the development of procedures for administration of the formulas, and assists the NECA Board of Directors in evaluating final proposed formulas. Task Group participation assures that average schedule companies are able to participate fully in the development of the average schedule formulas, and also have an opportunity to provide input to NECA regarding the ways in which changes in average schedule company networks can affect settlement formulas.

As it has done in the past for each proposed average schedule modification, NECA will provide a statement to each average schedule company advising it of the impacts of these modifications. This detailed notification includes a brief overview of the new formula as well as the factors that determine changes in a company's support amount (*i.e.* changes in loop counts and exchange count data). These detailed, individual notifications assure that average schedule companies become aware of proposed changes in the support formula to enable them to plan accordingly. NECA also provides data based on this formula to USAC for USF administration.

Exhibit 1

Proposed Cost Per Loop Regression Formula for 2008

If number of USF Loops is less than 50,000, and:

If Loops per Exchange is less than 700, then:

$$\text{Cost per Loop} = \$868.9375 - \$0.569351 \times \text{Loops per Exchange}$$

If Loops per Exchange is greater than or equal to 700 but less than 3,000, then:

$$\text{Cost per Loop} = \$496.753251 - \$0.037659 \times \text{Loops per Exchange}$$

If Loops per Exchange is greater than or equal to 3,000 but less than 8,000, then:

$$\text{Cost per Loop} = \$427.544612 - \$0.01459 \times \text{Loops per Exchange}$$

If number of USF loops is greater than or equal to 50,000 or if Loops per Exchange is greater than or equal to 8,000, then:

$$\text{Cost per Loop} = \$310.83$$

C. Data Used to Develop the Proposed Formula

This section describes the data that underlie the proposed HCL formula. Data comes from three sources:

1. USF data submitted by the population of Subset 3 study areas settling on a cost basis.
2. Actual financial accounts and loop data from a sample of average schedule study areas.
3. Access line and exchange count data from the entire population of average schedule study areas.

Subset 3 cost study areas provided the categorized account data that were used to compute cost categorization factors. These data were collected in connection with the 2006 annual USF Data Submission and are available on the diskettes included with that submission.⁴

Account data and loop information were collected from the average schedule study areas sampled in 2005 and 2006. The 2005 sample provided 2004 financial accounts and loop information for 2005. The 2006 sample provided 2005 financial accounts and loop information for 2006. These data were used to determine Universal Service Fund (USF) loop cost values for each company, as described in the next section.

Loop data and access line counts⁵ from the sample were used to calculate a loop count value for each sample average schedule company. In the annual collection of data from sample study areas, NECA collects the following loop information to supplement access line count: company official lines; off-premise extensions; and special access lines. NECA determined the count of USF loops for each sample study area by adding access lines, company official lines and off-premises extensions bridged in the central office.

⁴ See 2006 NECA Universal Service Fund Submission of 2005 Study Results, National Exchange Carrier Association, Inc. (September 29, 2006).

⁵ In response to the FCC's July 19, 2004 Order, NECA adjusted 2005 sample companies access lines and loop counts using a DS1 Channel line count adjustment factor of 0.984, filed in NECA's 2005 Modification of Average Schedules. See National Exchange Carrier Association Petition to Amend Section 69.104 of the Commission's Rules, WC Docket No. 04-259, RM-10603, *Order Granting Petition for Rulemaking, Notice of Proposed Rulemaking, and Order Granting Interim Partial Waiver*, 19 FCC Rcd 13591 (2004).

A loops-per-access line ratio was calculated by dividing sample total loops by sample total access lines. Totals used in this calculation were weighted using sample weights. Sample weights are used to expand the sample to a population estimate. A study area's sample weight is the reciprocal of the probability of it being included in the sample. The sample weight measures the count of units in the population that a member of the sample represents. For example, a study area with a sample weight of three represents three study areas in the average schedule population. An unbiased estimate of the population is achieved by weighting access line data in this manner. This means an estimate developed by this method is expected to neither overestimate nor underestimate the loops-per-access line ratio.

Account and loop data from the sample were projected to December 2006 using account level and access line growth rates developed in NECA's 2006 study and filed in the 2007 NECA Modification of Average Schedules⁶.

Access line data⁷ and exchange counts for the population of average schedule study areas were taken from NECA's settlement system for the month of December 2006 according to the June 2007 view. For the purpose of evaluating the proposed formula for each member of the average schedule population, USF loop counts were calculated for each study area using the loops per access line ratio.

$$\text{USF Loops} = \text{Access Lines} \times \text{Loops per Access Line Ratio}$$

USF loop and exchange counts for each average schedule study area are displayed in Appendix C.

⁶ See 2007 NECA Modification of Average Schedules, National Exchange Carrier Association, Inc. (Dec. 21, 2006).

⁷ December 2006 settlements access lines for the population of average schedule study areas, which includes a count of 5 lines per DS1 channel service arrangement.

D. HCL Cost per Loop formula

This section describes the derivation of the average schedule HCL Cost per Loop formula by:

- computing categorization factors from Subset 3 cost company data;
- determining loop costs of a sample of average schedule study areas using these factors; and
- using sample companies' actual loop cost data to derive a statistical regression model.

These steps are explained in the following three subsections.

1. Calculation of Categorization Factors from Subset 3 Cost Companies

Cost companies submit categorized data to NECA pursuant to Section 36.611 of the Commission's rules⁸. This data was used to compute average USF loop cost categorization factors. Loop cost categorization factors are the cost company fractions of accounts attributed to loop. They were developed from accounts related to Exchange Line Cable and Wire (C&WF) Facilities (Category 1) and Exchange Line Central Office Circuit equipment (Category 4.13).

Loop cost categorization factors were developed for each of NECA's seven geographical regions, to recognize categorization differences in circuit equipment and cable and wire facilities across regions. For example, by computing the ratio of cost company Central

⁸ Data was taken from the USF Data submission filed with the Commission on Oct 1, 2006. See 2006 NECA Universal Service Fund Submission of 2005 Study Results, National Exchange Carrier Association, Inc. (Oct. 1, 2006).

Office Equipment (COE) 4.13 investment to total cost company COE investment, NECA developed average categorization factors for Category 4.13 investment.

Exhibit 2 summarizes how these categorization factors were computed from cost company data, and how they were used to allocate average schedule company data. The first column names the Algorithm line corresponding to instructions in Tab 3 of NECA's Universal Service Fund (USF) 2006 Submission of 2005 Study Results⁹. Algorithm lines AL3, AL4, AL5 and AL6 are categorization factors defined in the USF submission to apportion unseparated cost accounts to loop. Algorithm lines 13 through 24 are the various cost components that comprise loop cost. Line 25 is the total unseparated loop cost. Line 26 is the cost per loop. Loop cost components are named in the second column in Exhibit 2. The third column is a description of each algorithm line and the last column presents cost categorization formulas used to calculate the value for each sample average schedule company.

Algorithm Lines 23 and 24 in Exhibit 2 use Adjustment Ratios to allocate Total Accumulated Depreciation to C&W Facilities and COE Transmission. This is done to ensure that the amount of reserves assigned to loop is in proportion to the amount of investment assigned to loop. The adjustment ratio is calculated as follows:

$$\text{Adjustment Ratio} = \frac{\text{Proportion Of Reserves Allocated To Loop}}{\text{Proportion Of Investment Allocated To Loop}}$$

⁹ See 2006 NECA Universal Service Fund Submission of 2005 Study Results, National Exchange Carrier Association, Inc. (Oct. 1, 2006).

For example, an adjustment ratio of 0.9790 for Cable & Wire Facilities would mean that the portion of reserves allocated to Loop is 97.90% of the portion of Cable & Wire Facilities investment that is allocated to Loop. Exhibit 3 describes the derivation of these ratios.

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
AL3		Factor A: C&WF Cat. 1/Total C&WF	Average ratio by region based on cost company data
AL4		Factor B: COE Cat. 4.13/Total COE	Average ratio by region based on cost company data
AL5		Factor C (C&WF Gross Allocator): C&WF Cat. 1/Total Plant in Service	Average ratio by region based on cost company data
AL6		Factor D (COE Gross Allocator): COE Cat. 4.13/Total Plant in Service	Average ratio by region based on cost company data
AL13	C&WF Maintenance	C&WF Maintenance Expense assigned to Cat. 1 C&WF R&B Factor = $\frac{\text{C\&WF R\&B Exp.}}{\text{C\&WF Expense}}$	Factor A x (1 - C&WF R&B Factor) x <u>C&WF Expense</u> ¹⁰
AL14	COE Maintenance	COE Maintenance Expense assigned to Cat. 4.13 COE R&B Factor = $\frac{\text{COE R\&B Exp.}}{\text{COE Expense}}$	Factor B x (1 - COE R&B Factor) x <u>COE Expense</u>
AL15	Network and General Support Expense	Network Support Expense plus General Support Expense assigned to C&WF Cat. 1 and to COE Cat. 4.13 Net. Spt. R&B Factor = $\frac{\text{Network Spt. R\&B Exp.}}{\text{Network Support Expense}}$ Gen. Spt. R&B Factor = $\frac{\text{General Spt. R\&B Exp.}}{\text{General Support Expense}}$	(Factor A + Factor B) x [(1 - Network Support R&B Factor) x <u>Network Support Expense</u> + (1 - General Support R&B Factor) x <u>General Support Expense</u>]

¹⁰ Amounts underlined are data or calculated values of sample average schedule study areas. Other values are cost company factors.

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
		General Support Expense	
AL16	Network Operations Expense	<p>Network Operations Expense assigned to C&WF Cat. 1 and to COE Category 4.13</p> <p>Ntwk. Oper. Ben. Factor = $\frac{\text{Ntwk. Oper. R&B Exp.}}{\text{Ntwk. Oper. Expense}}$</p>	$(\text{Factor A} + \text{Factor B}) \times (1 - \text{Network Operations Ben. Factor})$ $\times \underline{\text{Network Operations Expense}}$
AL17	C&WF Depreciation & Amortization Expense	<p>Depreciation & Amortization Expense assigned to C&WF Category 1</p> <p>Dep. Exp. C&WF Factor = $\frac{\text{Dep. & Amort. Exp. CWF}}{\text{C&WF}}$</p> <p>Tangibles -- C&WF = $\frac{\text{Amort. Tangible Assets -- C&WF}}{\text{Amort. Tangible Assets}}$</p> <p>Depreciation--Tang. Factor = $(\text{Deprec. -- Tangibles}) / \text{Tangibles}$</p>	$\text{Factor A} \times [(\text{Depreciation Expense Factor--C&WF} \times \underline{\text{C&WF}})$ $+ (\text{Depreciation Expense Factor--Tangibles} \times \underline{\text{Tangibles}})$ $\times (\text{Tangibles Factor -- C&WF} \times \underline{\text{Amort. Tangible Assets}})]$
AL18	COE Depreciation & Amortization Expense	<p>Depreciation & Amortization Expense assigned to COE Category 4.13</p> <p>Dep. Exp. COE Factor = $\frac{\text{Dep. & Amort. Exp. COE}}{\text{COE}}$</p> <p>Tangibles -- COE = $\frac{\text{Amort. Tangible Assets -- COE}}{\text{Amort. Tangible Assets}}$</p>	$\text{Factor B} \times [(\text{Depreciation Expense Factor--COE} \times \underline{\text{COE}})$ $+ (\text{Depreciation Expense Factor--Tangibles} \times \underline{\text{Tangibles}}) \times (\text{Tangibles Factor -- COE} \times \underline{\text{Amort. Tangible Assets}})]$

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
		Depreciation--Tang. Factor = <u>Deprec.--Tangibles</u> Tangibles	
AL19	Corporate Operations Expense	Corporate Operations Expense assigned to C&WF Cat. 1 and to COE Cat. 4.13, limited as per §36.621(a)(4) ¹¹	(Factor C + Factor D) x <u>Corporate Operations Expense</u>
AL20	Operating Taxes	Operating Taxes assigned to C&WF Cat. 1 and to COE Cat. 4.13 Operating Taxes Factor = <u>Operating Taxes</u> Total Plant in Service	(Factor C + Factor D) x Operating Taxes Factor x <u>Total Plant in Service</u>
AL21 + AL22	Benefits & Rents	Benefits & Rents other than Corporate Operations Expense assigned to C&WF Cat. 1 and COE Cat. 4.13 C&WF R&B Factor = <u>C&WF R&B Expense</u> <u>C&WF Expense</u> COE R&B Factor = <u>COE R&B Expense</u>	(Factor C + Factor D) x [(C&WF R&B Factor x <u>C&WF Expenses</u>) + (COE R&B Factor x <u>COE Expenses</u>) + (Net. Sup. R&B Factor x <u>Net. Sup. Expenses</u>) + (General Sup. R&B Factor x <u>General Sup. Expenses</u>) + (Net. Op. Ben. Factor x <u>Net. Op. Expenses</u>)]

¹¹ For purposes of the USF Data Submission, Corporate Operations Expenses were subject to the cap imposed by the Commission in its Order on Reconsideration adopted July 10, 1997. *See* Federal-State Joint Board on Universal Service, CC Docket No. 96-45, *Order on Reconsideration*, 12 FCC Rcd 10095 at ¶¶ 19-21 (1997). Modification to this cap according to the RTF Order are reflected here.

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
		<p>COE Expense</p> <p>Net. Spt. R&B Factor = <u>Network Spt. R&B Exp.</u> Network Support Expense</p> <p>Gen. Spt. R&B Factor = <u>General Spt. R&B Exp.</u> General Support Expense</p> <p>Ntwk. Oper. Ben. Factor = <u>Ntwk. Oper. R&B Exp.</u> Ntwk. Oper. Expense</p>	
AL23	C&WF Return	<p>Return Component for C&WF Cat. 1</p> <p>C&WF Cat. 1 Factor = <u>C&WF Cat. 1</u> <u>C&WF</u></p> <p>Tangibles -- C&WF Factor = <u>Tangibles --C&WF</u> Tangibles</p> <p>Accum. Dep. Adj. Ratio -- C&WF (See Exhibit 3)</p>	$\{(C\&WF \text{ Cat. 1 Factor} \times \underline{C\&WF}) + (\text{Tangibles Factor--C\&WF} \times \underline{\text{Tangibles}}) + (\text{Factor C} \times \underline{\text{Materials \& Supplies}}) - \text{Factor A} \times [(\text{Accum. Dep. Adj. Ratio -- C\&WF} \times \underline{\text{Acc. Dep.}} \times \% \underline{\text{C\&WF of TPIS}}) + (\text{Net N.C. D. OIT Factor--C\&WF} \times \underline{\text{TPIS}}) + (\text{Tangibles Factor--C\&WF} \times \underline{\text{Acc. Amo.}} - \underline{\text{Tangibles}})]\} \times .1125$

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
AL24	COE Return	<p>Return Component for COE Cat. 4.13</p> <p>COE Cat. 4.13 Factor = $\frac{\text{COE Cat. 4.13}}{\text{COE}}$</p> <p>Tangibles -- COE Factor = $\frac{\text{Tangibles --COE}}{\text{Tangibles}}$</p> <p>Accum. Dep. Adj Ratio -- COE. (See Exhibit 3)</p>	$\left\{ \begin{array}{l} (\text{COE Cat. 4.13 Factor} \times \text{COE}) \\ + (\text{Tangibles Factor} - \text{COE} \times \text{Tangibles}) \\ + (\text{Factor D} \times \text{Materials & Supplies}) \\ - \text{Factor B} \times [(\text{Accum. Dep. Adj Ratio} - \text{COE} \times \text{Acc. Dep} \times \% \text{COE of TPIS}) \\ + (\text{Net N.C. Def. OIT Factor} - \text{COE} \times \text{TPIS}) \\ + (\text{Tangibles Factor} - \text{COE} \times \text{Acc. Amo.} - \text{Tangibles})] \end{array} \right\} \times .1125$
AL25	Loop Costs	Total Unseparated Loop Cost	Sum of AL13 -- AL24
AL26	Cost Per Loop	Study Area Cost per Loop	AL25 Divided by Total Loops

Exhibit 3

Adjustment Ratios For Allocation Of Total Accumulated Depreciation

Description	Calculation	Factor name
COE Transmission fraction of TPIS	Sum DL240 / Sum DL160	TPIS % 2230
C&W Facilities fraction of TPIS	Sum DL255 / Sum DL160	TPIS % 2410
COE Transmission fraction of Tot. Acc. Dep.	Sum DL270 / Sum DL190	ACCT 3100 % 2230
C&W Facilities fraction of Tot. Acc. Dep.	Sum DL280 / Sum DL190	ACCT 3100 % 2410
Adjustment Ratio for COE Transmission.	ACCT 3100 % 2230 / TPIS % 2230	Accum. Dep. Adj. Ratio - COE
Adjustment Ratio for C&W Facilities.	ACCT 3100 % 2410 / TPIS % 2410	Accum. Dep. Adj. Ratio - C&WF

DL240 = COE Transmission (Acct 2230)

DL255 = C&WF Total (Acct 2410)

DL160 = Total Plant in Service (TPIS)

DL270 = Accumulated Depreciation - COE Transmission Equipment

DL280 = Accumulated Depreciation – Cable & Wire Facilities

DL190 = Accumulated Depreciation

Exhibit 4 displays the computed values of the loop cost categorization factors from sample cost companies, in each of NECA's seven geographical regions.

Exhibit 4
Loop Cost Categorization Factors from Sample Cost Companies

FACTOR	REGION1	REGION2	REGION3	REGION4	REGION5	REGION6	REGION7
FACTOR A	0.92179	0.94923	0.89259	0.89444	0.90953	0.83483	0.87024
FACTOR B	0.26793	0.39360	0.36116	0.41874	0.35940	0.35097	0.34133
FACTOR C	0.44640	0.52225	0.46727	0.51736	0.44558	0.44405	0.46559
FACTOR D	0.09063	0.12082	0.11463	0.11511	0.11558	0.10936	0.10924
C&WF RENTS & BENEFITS	0.30674	0.26635	0.22355	0.27600	0.23629	0.26168	0.23025
COE RENTS & BENEFITS	0.04818	0.06251	0.05144	0.08196	0.06772	0.09869	0.06308
TANGIBLES - C&WF	0.00000	0.00000	0.00000	0.21175	0.00000	0.00000	0.91656
TANGIBLES - COE TRANSMISSION	0.11686	0.00000	0.00000	0.00000	0.00000	0.72831	0.00000
TANGIBLES - COE CATEGORY 4.13	0.00000	0.00000	0.00000	0.00000	0.00000	0.72831	0.00000
ACCUMULATED DEPRECIATION - C&WF	0.47933	0.55214	0.49242	0.55477	0.43925	0.49912	0.52917
ACCUMULATED DEPRECIATION - COE TRANS.	0.15092	0.17903	0.18357	0.18438	0.19662	0.20872	0.17959
NET NON-CURR DEF OIT-C&WF- Commercial Comp.	0.02584	0.01984	0.01962	0.02210	0.01285	0.01739	0.01508
NET NON-CURR DEF OIT-C&WF- Cooperatives	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
NET NON-CURR DEF OIT-COE TRANS.- Comm Comp.	0.00850	0.00818	0.00552	0.00620	0.00420	0.00747	0.01034
NET NON-CURR DEF OIT-COE TRANS.- Cooperatives	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
NETWORK SUPPORT RENTS & BENEFITS	0.05644	0.17622	0.18020	0.08661	0.16226	0.07592	0.37190
GENERAL SUPPORT RENTS & BENEFITS	0.19095	0.12117	0.21955	0.16415	0.30029	0.29217	0.13496
NETWORK OPERATIONS BENEFITS	0.17910	0.21868	0.24152	0.21769	0.24770	0.27571	0.23160
DEPRECIATION EXPENSE - C&WF	0.04696	0.05170	0.05040	0.04937	0.04738	0.04625	0.04735
DEPRECIATION EXPENSE -COE TRANSMISSION	0.07394	0.08519	0.08593	0.08829	0.08454	0.07951	0.08465
DEPRECIATION - TANGIBLES	0.00000	0.00000	0.00000	0.15622	0.00000	0.00000	0.00622
ACCUM. DEP. ADJ. RATIO - COE	0.92932	0.99545	1.02343	1.08321	1.09715	1.10558	0.95427
ACCUM. DEP. ADJ. RATIO - C&WF	0.97904	0.97762	0.92392	0.93474	0.87436	0.91690	0.96915
OPERATING INCOME TAX - Cooperatives	0.00723	0.00386	0.00831	0.00947	0.00682	0.00873	0.00635
OPERATING INCOME TAX-Commercial Companies	0.02357	0.03547	0.02688	0.03198	0.02237	0.02006	0.02612

2. Calculation of Loop Cost for Sample Average Schedule Companies

NECA calculated loop costs for sample average schedule companies consistent with the Part 36 rules that apply to cost companies. Accordingly, for each average schedule study area in the sample, the loop cost is the accumulation of components of accounts assigned to loop. Costs assigned to the loop include Cable & Wire Facilities investment in Category 1, COE investment in Category 4.13 and other accounts assigned proportionately based on these accounts. Portions of costs in accounts assigned to loop were determined using the allocation ratios derived from cost companies.

NECA applied the cost categorization factors shown in Exhibit 4 to uncategorized accounts from sample average schedule study areas to produce unseparated average schedule category-level loop costs. Section 36.621 of the Commission's rules describes various unseparated accounts that make up a study area's total unseparated loop costs. Following this method, the unseparated loop cost for each sample average schedule study area was determined by summing the following categories related to COE Category 4.13 and C&WF Category 1 plant, as follows.

$$\begin{aligned} \text{Loop Cost} = & \text{ Maintenance Expense} + \text{Network \& General Support Expenses} \\ & + \text{Network Operations Expense} + \text{Depreciation \& Amortization Expense} \\ & + \text{Corporate Operations Expense} + \text{Operating Taxes} + \text{Benefits Expense} \\ & + \text{Rent Expense} + \text{Return on Investment} \end{aligned}$$

Exhibit 5 presents the results of loop cost calculations for the average schedule sample.

The calculated actual cost per loop amounts, when used with the payment algorithm prescribed in Section 36.631 of the Commission's rules, produce \$99.7M in uncapped

USF expense adjustment amounts that sample companies would be entitled to receive if they were to conduct cost studies.

NECA estimated the amount of expense adjustment to which the entire population of average schedule companies would be entitled if they were to conduct the necessary cost studies, by using the sample weights described in Section C. Based on this calculation, the total uncapped expense adjustment amount that would be payable to the entire population of average schedule companies based on cost studies would be \$173.5M in 2008.

Exhibit 5

Allocation of Unseparated Total Accounts to Loop Weighted Total Data from the Average Schedule Sample

Cost Category	Calculation Method	Total Account Per Loop	Avg Loop %	Loop Cost Per Loop
C&WF Category 1	Cost Company Factor	1560.48	0.9038	1410.44
COE Category 4.13	Cost Company Factor	1183.6	0.3409	403.51
Factor A	% C&WF Cat 1 of Total C&WF	1560.74	0.9037	1410.44
Factor B	% COE Cat 4.13 of Total COE	1183.6	0.3409	403.51
Factor C	% C&WF Cat 1 of TPIS	3199.31	0.4409	1410.44
Factor D	% COE Cat 4.13 of TPIS	3199.31	0.1261	403.51
Materials & Supplies for CWF Cat 1	Factor C x M&S	17.07	0.4360	7.44
Materials & Supplies for COE Cat 4.13	Factor D x M&S	17.07	0.1246	2.13
Reserves for CWF Cat 1	Factor A x Reserves	2183.33	0.4192	915.17
Reserves for COE Cat 4.13	Factor B x Reserves	2183.33	0.1361	297.06
Factor E	% Net C&WF Cat 1 of Net TPIS	1062.26	0.4732	502.71
Factor F	% Net COE Cat 4.13 of Net TPIS	1062.26	0.1022	108.58
Maintenance of C&WF Cat 1	Factor A x (Maintenance - R & B)	58.93	0.6720	39.6
Maintenance of COE Cat 4.13	Factor B x (Maintenance - R & B)	44.97	0.2839	12.77
Network Support Assigned to Loop	(Fact C + Fact D) x (Net Sup Exp - R&B)	2.77	0.4588	1.27
General Support Assigned to Loop	(Fact C + Fact D) x (Gen Sup Exp - R&B)	25.59	0.4705	12.04
Network Operations Assigned to Loop	(Fact C + Fact D) x (Net Ops Exp - R&B)	44.87	0.4418	19.82
Depreciation of C&WF Cat 1	C&WF Cat 1 x C&WF Deprec Rate	1410.44	0.0489	68.98
Depreciation of COE Cat 4.13	COE Cat 4.13 x COE Deprec Rate	403.51	0.0831	33.55
Corporate Oper. Exp. Assigned to Loop	(Fact C + Fact D) * Corp. Oper. Exp.	126.42	0.5523	69.83
Operating Taxes Assigned to Loop	(Factor C + Factor D) x Oper Taxes	63.33	0.5645	35.75
Benefits in Oper. Exp. Assigned to Loop	(Fact C + Fact D) x (Benefits - Corp Ops)	132.26	0.1809	23.92
Rents in Oper Exp Assigned to Loop	(Fact C + Fact D) x (Rents - Corp Ops)	132.26	0.0309	4.08
Return on C&WF Cat 1	.1125 x Net CWF Cat 1	502.71	0.1125	56.55
Return on COE Cat 4.13	.1125 x Net COE Cat 4.13	108.58	0.1125	12.22
Total Loop Cost	Sum 13 Thru 24	3056.65	0.1277	390.39

3. Cost per Loop Formula for 2008

This study develops a formula that simulates the cost per loop data of sample companies which is used to compute loop costs as the basis of expense adjustments for all average schedule companies. The underlying basis of the formula is the comparison of cost per loop data obtained from average schedule sample companies to their ratios of loops per exchange. Based on the relationship of these variables, a mathematical model is developed that is used to compute HCL cost per loop for each member of the total population of average schedule companies.

NECA used the actual cost per loop data of sample average schedule study areas to derive a statistical regression model. This model form was first presented in the 2002 NECA Modification of Average Schedule Universal Service Formulas, filed on October 1, 2001, and approved by the Commission in its July 30, 2002 Order¹². The model that relates cost per loop to loops per exchange in this year's study produces statistically significant coefficients. NECA proposes use of this model form in 2008 as the review of other possible cost per loop models did not produce a model with better overall performance.

In Appendix B of this filing NECA presents actual HCL cost per loop (CPL) data for sample average schedule study areas. This section explains the use of that data to develop a statistical model for calculating CPL values for each study area in the average schedule population.

¹² See Federal-State Joint Board on Universal Service, CC Docket No. 96-45, National Exchange Carrier Association, Inc. Proposed 2002 Modification of Average Schedule Formulas, *Order*, 17 FCC Rcd 14236 (2002)

This model uses the outlier accommodation method for regression, first introduced in NECA's December 31, 1998 average schedule filing¹³ and approved by the Commission¹⁴. The threshold used in this calculation was equal to three standard deviations of the residuals. The outlier accommodation method uses weighted linear regression, with regression weights defined in two steps. First residuals and DFFITS values for each observation are determined by an unweighted linear regression. Then regression weights are calculated using these values.

If $\text{Abs}(\text{residual}) \leq \text{threshold}$, then regression weight_i = 1

$$\text{Else regression weight}_i = \left(\frac{C/2}{DFFITS_i} \right)^2, \text{ where } C = 2\sqrt{\frac{P+1}{N-P-1}}$$

P = number of model coefficients, N = number of observations

The model relates the CPL variable (the dependent variable) to the loops per exchange variable by constrained linear regression. The model reflects the CPL trend of sample companies, which show relatively higher costs associated with lower values of loops per exchange. This trend decreases at one rate for the smallest study areas, then decreases at slower rates for each of two groups of midsize average schedule study areas, and finally levels off for the larger study areas.

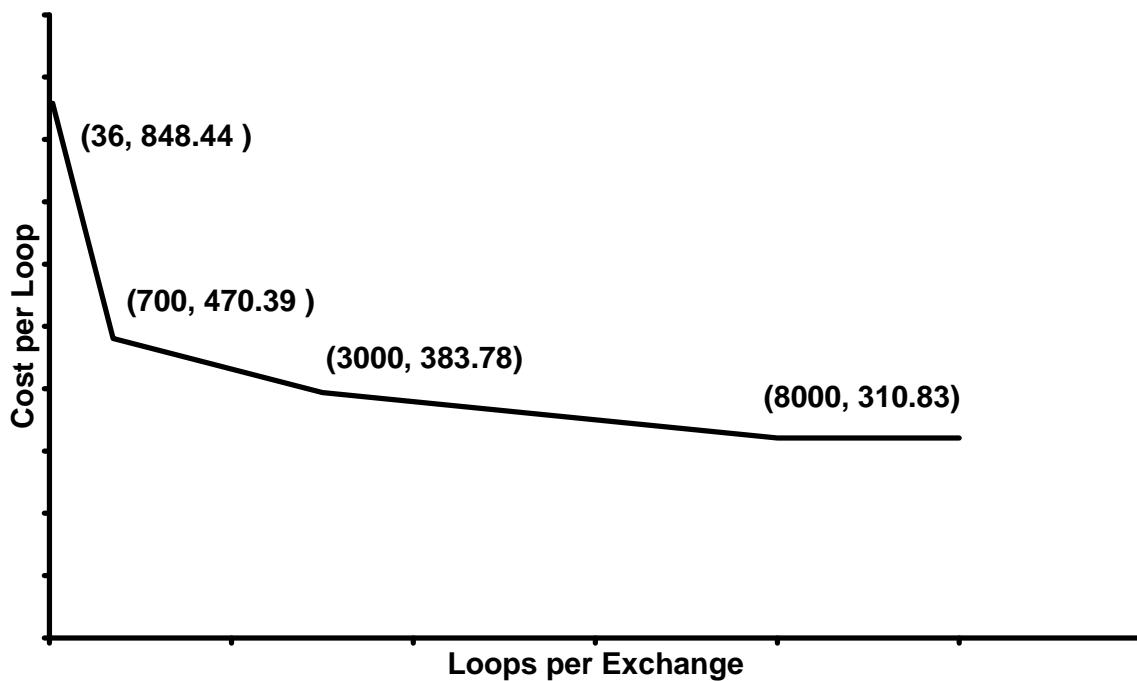
Breakpoints and levels of the straight line components of the formula were chosen because they best fit the cost per loop data. NECA designed formula breakpoints to

¹³ See 1999 NECA Modifications of Average Schedules, National Exchange Carrier Association, Inc. (Dec. 31, 1998).

¹⁴ See National Exchange Carrier Association, Inc., Proposed Modifications to the 1999-2000 Interstate Average Schedule Formulas, ASD 99-18, *Order*, 14 FCC Rcd 9803 (1999).

assure support amounts would be accurately distributed across study areas in all size ranges. NECA determined statistically the formula would be more accurate if it had breakpoints (BP) at 700, 3000, and 8000 loops per exchange. In order to reflect these trends, NECA developed a Cost per Loop model consisting of four straight lines connected at these breakpoints. NECA tested sets of breakpoints and regression coefficients iteratively to determine the combination with the best fit to the data.

Exhibit 6
Cost Per Loop Model



To fit the Cost per Loop formula to sample company data, NECA first calculated the overall average CPL of study areas with more than 50,000 USF Loops or loops per exchange exceeding 8000, using the standard weighted ratio estimation method. This method produced a formula Cost per Loop for this group of study areas of \$310.83. This CPL is a good statistical representation of the data for these study areas, which show a consistently flat trend as relates to loops per exchange.

$$\text{Cost Per Loop} = \frac{\sum_{ECs > (8000 LPE \text{ or } 50000 \text{ Loops})} \text{Sample Weight}_i \cdot \text{Outlier Weight}_i \cdot \text{Loop Cost}_i \cdot \text{Loops}_i}{\sum_{ECs > (8000 LPE \text{ or } 50000 \text{ Loops})} \text{Sample Weight}_i \cdot \text{Outlier Weight}_i \cdot \text{Loops}_i}$$

Next, NECA used linear regression to solve for other parameters of the model. The regression model is a sequence of four connected straight lines specified as follows (CPL designates the study area's cost per loop; LPE designates each study area's loops per exchange, and BP designates breakpoint).

$$CPL_i = [a_1 + b_1 LPE_i] \delta_{1i} + [a_2 + b_2 LPE_i] \delta_{2i} + [a_3 + b_3 LPE_i] \delta_{3i} + a_4 \delta_{4i}$$

where: $\delta_{1i} = 1$, if ($LPE_i \leq BP_1$, and loops $< 50,000$), and $\delta_{1i} = 0$ otherwise.

$\delta_{2i} = 1$, if ($BP_1 < LPE_i \leq BP_2$, and loops $< 50,000$), and $\delta_{2i} = 0$ otherwise.

$\delta_{3i} = 1$, if ($BP_2 < LPE_i \leq BP_3$, and loops $< 50,000$) and $\delta_{3i} = 0$ otherwise.

$\delta_{4i} = 1$, if ($BP_3 > LPE_i$, or loops $\geq 50,000$) and $\delta_{4i} = 0$ otherwise.

The model is constrained at the breakpoints, BP_1 , BP_2 and BP_3 , so that:

$$a_1 + b_1 \cdot BP_1 = a_2 + b_2 \cdot BP_1$$

$$a_2 + b_2 \cdot BP_2 = a_3 + b_3 \cdot BP_2$$

$$a_3 + b_3 \cdot BP_3 = a_4 = \$310.83$$

The resulting model is derived by standard linear regression methods, including outlier weighting as described earlier in this section. This model fits the CPL data most accurately, and reflects relationships between loop cost and loops per exchange. The resulting Cost per Loop model is shown in Exhibit 1.

This model produces cost per loop values that are uniformly higher than the current formula except for the companies with LPE more than 667 but less than 852 LPE.

E. HCL Payments for the Population of Average Schedule companies

In 2008, actual HCL payments will be determined using each company's CPL value, the expense adjustment algorithm, and the NACPL value adjusted according to the Commission's rules to cap the total fund size. Following is a discussion of the effects of these calculations.

According to the Commission's rule 36.631 NECA calculates expense adjustments two ways, first using the uncapped NACPL defined to be \$240.00, and second using the "capped" NACPL of \$356.07 at the time of this filing¹⁵.

¹⁵ This is NECA's initial estimate of the capped NACPL for 2008, based on data reported to date.

Although cost per loop values for most of the average schedule companies are projected to increase, because of the cap payments to average schedule companies will be reduced from the uncapped expense adjustment level of \$174.9 million to \$46.8 million. Average schedule companies that will actually receive payments in 2008 are those with loops per exchange less than 2,316, according to NECA's current view of the capped NACPL. Because the current capped NACPL does not yet reflect quarterly updates to cost data submissions to be filed after October 1 of this year, the capped NACPL can be expected to increase, further reducing average schedule payments compared to levels stated above.

F. Effects of Changes on Average Schedule Companies

This section provides a summary comparison of proposed payments of \$46.8 million and current payments of \$48.1 million, categorized by line size group and by percent difference band.

Exhibit 7 summarizes the monthly changes in payments by study area size.

Exhibit 7
Proposed Monthly HCL Payment Changes By Loop Size

Access Line Size Group	Count of Study Areas	2007 USF Payments (current)	2008 Proposed Payment (Fund Cap Applied)	Monthly Change per Loop	Percent Difference
0 TO 500	66	\$283,571	\$291,565	\$0.43	2.82
500 TO 1000	89	\$499,128	\$474,995	-\$0.37	-4.84
1000 TO 2500	149	\$1,359,891	\$1,342,587	-\$0.07	-1.27
2500 TO 5000	64	\$913,255	\$909,759	-\$0.01	-0.38
5000 TO 10000	48	\$662,897	\$599,681	-\$0.19	-9.54
10000 TO 20000	19	\$215,215	\$199,943	-\$0.06	-7.10
OVER 20000	19	\$78,334	\$80,902	\$0.00	3.28

Exhibit 8 summarizes the monthly changes in expense adjustments by percent change bands.

Exhibit 8

Proposed Monthly HCL Payment Changes By Per Cent Change Bands

Percent Change Group	Count of Study Areas	2007 USF Payments (current)	2008 Proposed Payment (Fund Cap Applied)	Monthly Change per Loop
-60% TO -50%	1	\$5,963	\$2,505	-\$4.22
-30% TO -20%	45	\$343,731	\$270,613	-\$0.84
-20% TO -10%	96	\$767,877	\$641,448	-\$0.45
-10% TO -5%	26	\$275,141	\$254,356	-\$0.21
-5% TO -2%	15	\$200,230	\$193,009	-\$0.21
-2% TO 0%	27	\$232,966	\$230,517	-\$0.10
0% TO 2%	118	\$724,430	\$732,970	\$0.01
2% TO 5%	71	\$1,299,410	\$1,339,444	\$0.43
5% TO 10%	15	\$45,760	\$48,951	\$0.28
10% TO 20%	11	\$84,385	\$97,052	\$0.56
20% TO 30%	5	\$11,849	\$14,496	\$0.19
40% TO 50%	2	\$4,674	\$6,640	\$0.86
60% TO 70%	1	\$920	\$1,516	\$0.31
80% TO 90%	2	\$10,578	\$19,824	\$0.25
100%	13	\$0	\$31,249	\$0.58
100% TO 200%	3	\$2,663	\$6,095	\$0.34
OVER 300%	3	\$1,714	\$8,747	\$0.78

G. Conclusion

The proposed HCL formula shown in Exhibit 1 herein has been shown to conform to FCC rules regarding USF reporting, to produce payments consistent with those experienced by similarly situated cost companies as required by the Commission's Part 69 rules, and to yield reasonable changes in payments to average schedule companies. The Commission should approve this formula to go into effect on January 1, 2008.

Appendix A
 2007 Average Schedule USF Study
 Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
1	100005	COBOSSEECONTEE TEL. CO.
2	100015	COMMUNITY SERVICE TEL. CO.
3	100019	OXFORD COUNTY TEL. & TELE. CO.
4	100020	PINE TREE TEL. & TELE. CO.
5	100022	SACO RIVER TEL. & TELE. CO.
6	120042	DIXVILLE TEL. CO.
7	120043	DUNBARTON TEL. CO.
8	132454	THE WOODBURY TEL. CO.
9	140053	FRANKLIN TEL. CO.-VT
10	140064	SHOREHAM TEL. CO., INC.
11	150076	CASSADAGA TEL. CORP.
12	150112	ONTARIO TELEPHONE COMPANY, INC.
13	150125	STATE TEL. CO.
14	170145	BENTLEYVILLE COMM CORP dba THE BENTLEYVILLE
15	170151	BUFFALO VALLEY TEL. CO.
16	170156	CITIZENS TEL. CO. OF KECKSBURG
17	170161	COMMONWEALTH TELEPHONE COMPANY
18	170162	THE CONESTOGA TEL. AND TEL. CO.
19	170165	DENVER AND EPHRATA TEL. & TEL. CO.
20	170171	HICKORY TEL. CO.
21	170175	IRONTON TEL. CO.
22	170179	LAUREL HIGHLAND TEL. CO.
23	170191	THE NORTH EASTERN PA. TEL. CO.
24	170193	NORTH PITTSBURGH TEL. CO.
25	170195	ARMSTRONG TEL. CO. NORTH
26	170196	PALMERTON TEL. CO.
27	170197	PENNSYLVANIA TEL. CO.
28	170200	PYMATUNING IND. TEL. CO.
29	170204	SOUTH CANAAN TEL. CO.
30	170210	VENUS TEL. CORP.
31	170215	YUKON-WALTZ TEL. CO.
32	170277	WEST SIDE TEL. CO.-PA
33	190219	BUGGS ISLAND TEL. COOP.
34	190220	BURKE'S GARDEN TEL. CO., INC.
35	190225	CITIZENS TEL. COOP.-VA
36	190226	NTELOS, INC.
37	190236	NORTH RIVER TEL. COOP.
38	190237	HIGHLAND TEL. COOP.-VA
39	190238	MGW TELEPHONE COMPANY, INC.
40	190239	NEW HOPE TELEPHONE COOPERATIVE
41	190243	PEMBROKE TEL. COOP.
42	190248	SCOTT COUNTY TEL. COOP. INC.
43	190250	SHENANDOAH TEL. CO.
44	190253	VIRGINIA TEL. CO.
45	200258	WAR ACQUISITION CORP. DBA WAR TELEPHONE CO.
46	220324	VALLEY TELEPHONE CO., LLC
47	220364	WINDSTREAM GEORGIA TELEPHONE, INC.
48	220375	NELSON-BALL GROUND TEL. CO.
49	220380	PROGRESSIVE RURAL TEL. COOP., INC.

Appendix A
 2007 Average Schedule USF Study
 Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
50	220387	FRONTIER COMMUNICATIONS OF GEORGIA, LLC
51	220389	TRENTON TEL. CO.
52	220395	WINDSTREAM ACCUCOMM TELECOMMUNICATIONS, INC.
53	230478	ELLERBE TEL. CO.
54	230491	NORTH STATE TEL. CO.-NC dba NORTH STATE COMM.
55	230494	PINEVILLE TEL. CO.
56	230495	RANDOLPH TEL. CO.
57	230496	RANDOLPH TEL. MEMB. CORP.
58	230497	PIEDMONT TEL. MEMB. CORP.
59	230500	SERVICE TEL. CO.
60	230501	SKYLINE TEL. MEMB. CORP.
61	230503	SURRY TEL. MEMB. CORP.
62	230505	TRI-COUNTY TEL. MEMB. CORP.-NC
63	230511	YADKIN VALLEY TEL. MEMB. CORP.
64	240515	CHESNEE TEL. CO.
65	240516	CHESTER TEL. CO.-SC
66	240532	LOCKHART TEL. CO., INC.
67	240535	NORWAY TEL. CO., INC.
68	240536	PALMETTO RURAL TEL. COOP., INC.
69	240541	RIDGEWAY TEL. CO., INC.
70	240546	SANDHILL TEL. COOP., INC.
71	250283	BRINDLEE MOUNTAIN TEL. CO.
72	250285	CASTLEBERRY TEL. CO., INC.
73	250301	FRONTIER COMMUNICATIONS OF LAMAR COUNTY, LLC
74	250311	OAKMAN TEL. CO., INC.
75	250312	OTELCO TELEPHONE LLC
76	250322	UNION SPRINGS TEL. CO.
77	260396	BALLARD RURAL TEL. COOP. CORP., INC.
78	260398	BRANDENBURG TEL. CO., INC.
79	260408	GEARHEART COMM. DBA COALFIELDS TEL. CO.
80	260412	LEWISPORT TEL. CO., INC.
81	260414	MOUNTAIN RURAL TEL. COOP. CORP., INC.
82	260417	SALEM TEL. CO.
83	260419	THACKER/GRIGSBY TEL. CO., INC.
84	270428	DELCAMBRE TEL. CO.
85	280451	DECATUR TEL. CO., INC.-MS
86	280460	FRONTIER COMM. OF MISSISSIPPI, INC.
87	280467	SMITHVILLE TEL. CO.
88	287449	MYRTLE TEL. CO., INC.
89	290553	BEN LOMAND RURAL TEL. COOP., INC.
90	290554	BLEDSOE TEL. COOP.
91	290559	CONCORD TEL. EXCHANGE, INC.
92	290565	HIGHLAND TEL. COOP., INC.-TN
93	290570	LORETTO TEL. CO., INC.
94	290598	WEST KENTUCKY RURAL TELEPHONE COOP. CORP.-TN
95	300585	ARCADIA TEL. CO.
96	300586	THE ARTHUR MUTUAL TEL. CO.
97	300588	AYERSVILLE TEL. CO.
98	300589	BASCOM MUTUAL TEL. CO.

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2007 Average Schedule USF Study
Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
99	300590	BENTON RIDGE TEL. CO.
100	300591	BUCKLAND TELEPHONE COMPANY
101	300594	THE CHAMPAIGN TEL. CO.
102	300604	COLUMBUS GROVE TEL. CO.
103	300609	DOYLESTOWN TEL. CO.
104	300614	FORT JENNINGS TEL. CO.
105	300619	GLANDORF TEL. CO., INC.
106	300625	KALIDA TEL. CO., INC.
107	300633	MIDDLE POINT HOME TEL. CO.
108	300634	MINFORD TEL. CO., INC.
109	300639	THE NEW KNOXVILLE TEL. CO.
110	300645	OAKWOOD TEL. CO.
111	300650	THE OTTOVILLE MUTUAL TEL. CO.
112	300651	PATTERSONVILLE TEL. CO.-OH
113	300654	RIDGEVILLE TEL. CO.
114	300656	SHERWOOD MUTUAL TEL. ASSOC.
115	300659	TELEPHONE SERVICE CO.
116	300662	VANLUE TEL. CO.
117	300663	VAUGHNSVILLE TEL. CO., INC.
118	300664	WABASH MUTUAL TEL. CO.
119	310669	ALLENDALE TEL. CO.
120	310675	BARAGA TEL. CO.
121	310676	BARRY COUNTY TEL. CO.
122	310678	BLANCHARD TEL. ASSOC., INC.
123	310688	CLIMAX TEL. CO.
124	310692	DRENTHE TEL. CO.
125	310694	FARMERS MUT. OF CHAPIN DBA CHAPIN TEL. CO.
126	310703	KALEVA TEL. CO.
127	310725	SAND CREEK TEL. CO.
128	310735	WESTPHALIA TEL. CO.
129	320744	CAMDEN TEL. CO., INC.-IN
130	320750	FRONTIER COMM. OF INDIANA, INC.
131	320751	CITIZENS TEL. CORP.-WARREN
132	320756	CRAIGVILLE TEL. CO., INC.
133	320771	GEETINGSVILLE TEL. CO., INC.
134	320777	HOME TEL. CO. OF PITTSBORO, INC.
135	320778	HOME TEL. CO., INC.
136	320792	MULBERRY COOP. TEL. CO., INC.
137	320796	NEW LISBON TEL. CO., INC.
138	320809	COMM. CORP. OF SOUTHERN INDIANA
139	320816	S & W TEL. CO., INC.
140	320826	SWAYZEE TEL. CO., INC.
141	320827	SWEETSER RURAL TEL. CO., INC.
142	320829	TIPTON TEL. CO., INC.
143	320830	TRI-COUNTY TEL. CO., INC.-IN
144	320837	WEST POINT TEL. CO., INC.
145	320839	YEOMAN TEL. CO., INC.
146	330842	AMERY TELCOM, INC.
147	330843	AMHERST TEL. CO.

Appendix A
2007 Average Schedule USF Study
Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
148	330846	BALDWIN TELCOM., INC.
149	330847	BELMONT TEL. CO.
150	330848	BERGEN TEL. CO.
151	330849	BLACK EARTH TEL. CO.
152	330850	BLOOMER TEL. CO.
153	330851	BONDUEL TEL. CO.
154	330856	BURLINGTON BRIGHTON & WHEATLAND TEL.
155	330865	CLEAR LAKE TEL. CO., INC.-WI
156	330866	COCHRANE COOP. TEL. CO.
157	330868	COON VALLEY FARMERS TEL. CO., INC.
158	330872	CUBA CITY TEL. EXCH. CO.
159	330875	DICKEYVILLE TEL. CO.
160	330879	FARMERS IND. TEL. CO.-WI
161	330880	FARMERS TEL. CO.-WI
162	330881	MID-PLAINS TEL., INC.
163	330889	HAGER TELECOM, INC.
164	330892	HILLSBORO TEL. CO., INC.
165	330896	LAKEFIELD TEL. CO.
166	330900	LEMONWEIR VALLEY TEL. CO.
167	330902	LUCK TEL. CO.
168	330905	MANAWA TEL. CO.
169	330914	EASTCOAST TELECOM, INC.
170	330915	MOSINEE TEL. CO.
171	330925	BAYLAND TEL, INC.
172	330930	GRANTLAND TELECOM, INC.
173	330938	NORTHEAST TEL. CO.
174	330943	RIVERSIDE TELECOM, INC.
175	330944	FRONTIER COMM.-ST. CROIX LLC
176	330945	SCANDINAVIA TEL. CO.
177	330946	SHARON TEL. CO.
178	330949	SIREN TEL. CO., INC.
179	330951	SOMERSET TEL. CO., INC.
180	330955	STATE LONG DISTANCE TEL. CO.
181	330960	TRI-COUNTY COMMUNICATIONS COOPERATIVE, INC.
182	330962	UNION TEL. CO.
183	330966	VERNON TEL. COOP.
184	330967	FRONTIER COMM. OF VIROQUA LLC
185	330968	WAUNAKEE TEL. CO.
186	330970	CENTURYTEL OF THE MIDWEST-WI/WAYSIDE
187	340976	ADAMS TEL. COOP.
188	340983	CAMBRIDGE TEL. CO.-IL
189	340990	CLARKSVILLE MUTUAL TEL. CO.
190	340993	CROSSVILLE TEL. CO.
191	340998	FRONTIER COMM. OF DEPUE, INC.
192	341016	GENESEO TEL. CO.
193	341017	GLASFORD TEL. CO.
194	341021	THE GRANDVIEW MUTUAL TEL. CO.
195	341024	HAMILTON COUNTY TELEPHONE CO-OP
196	341029	HENRY COUNTY TEL. CO.

Appendix A
 2007 Average Schedule USF Study
 Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
197	341041	KINSMAN MUTUAL TEL. CO.
198	341046	LEONORE MUTUAL TEL. CO.
199	341050	MARSEILLES TEL. CO. OF MARS.
200	341053	METAMORA TEL. CO.
201	341054	MID CENTURY TEL. COOP., INC.
202	341062	NEW WINDSOR TEL. CO.
203	341075	REYNOLDS TEL. CO.
204	341086	TONICA TEL. CO.
205	341087	VIOLA HOME TEL. CO.
206	341092	STELLE TEL. CO.
207	351097	ANDREW TEL. CO., INC.
208	351098	ARCADIA TEL. COOP.
209	351101	ATKINS TEL. CO.
210	351107	BALDWIN-NASHVILLE TEL. CO., INC.
211	351108	BARNES CITY COOP. TEL. CO.
212	351112	BREDA TEL. CORPORATION
213	351113	BROOKLYN MUTUAL TEL. CO.
214	351114	THE BURT TEL. CO.
215	351115	BUTLER-BREMER MUT. TEL. CO.
216	351118	CASCADE COMMUNICATIONS COMPANY
217	351119	CASEY MUTUAL TEL. CO.
218	351121	CENTER JUNCTION TEL. CO., INC.
219	351125	CENTRAL SCOTT TEL.
220	351126	CenturyTel of Chester, Inc.
221	351130	CLARENCE TEL. CO., INC.
222	351133	C-M-L TEL. COOP. ASSN.
223	351136	COON CREEK TEL. CO.
224	351137	COON VALLEY COOP. TEL. ASSN., INC.
225	351139	COOP. TEL. CO.
226	351141	CORN BELT TEL. CO.
227	351146	CUMBERLAND TEL. CO.
228	351147	DANVILLE MUT. TEL. CO.
229	351149	FARMERS MUTUAL COOPERATIVE TEL CO (DEFIANCE)
230	351150	DIXON TEL. CO.
231	351152	DUMONT TEL. CO.
232	351153	DUNKERTON TEL. COOP., INC.
233	351157	ELLSWORTH COOP. TEL. ASSN.
234	351160	F&B COMMUNICATIONS, INC.
235	351162	FARMERS COOP. TEL. CO.-DYSART
236	351166	FARMERS & MERCHANTS MUTUAL TEL. CO.
237	351168	FARMERS MUTUAL COOP TEL CO- HARLAN
238	351169	FARMERS MUTUAL COOP. TEL. CO.-MOULTON
239	351171	FARMERS MUTUAL TEL. CO.-JESUP
240	351172	FARMERS MUTUAL TEL. CO.-NORA SPRINGS
241	351173	FARMERS MUTUAL TEL. COOP.-SHELLSBURG
242	351174	FARMERS MUTUAL TEL. CO.-STANTON
243	351175	FARMERS TEL. CO.-BATAVIA
244	351176	FARMERS TEL. CO.-ESSEX
245	351177	FARMERS TEL. CO.-RICEVILLE

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Obs	Study Area Code	Study Area Name
246	351179	FENTON COOP. TEL. CO.
247	351188	GOLDFIELD TEL. CO.
248	351189	RIVER VALLEY TELECOMMUNICATIONS COOP.
249	351191	GRAND MOUND COOP. TEL. ASSN.
250	351195	GRISWOLD COOP. TEL. CO.
251	351199	HAWKEYE TEL. CO.
252	351202	HOSPERS TEL. EXCHANGE, INC.
253	351203	HUBBARD COOP. TEL. ASSN.
254	351205	HUXLEY COMMUNICATIONS COOPERATIVE
255	351206	IAMO TEL. CO.-IA
256	351209	INTERSTATE 35 TEL. CO. DBA INTERSTATE COMM.
257	351212	JEFFERSON TEL. CO.-IA
258	351213	JORDAN SOLDIER VALLEY TELEPHONE COMPANY
259	351217	KEYSTONE FRMS. COOP. TEL. CO.
260	351220	LA PORTE CITY TEL. CO.
261	351222	LA MOTTE TEL. CO.
262	351225	LEHIGH VALLEY COOP. TEL. ASSN.
263	351228	LONE ROCK COOP. TEL. CO.
264	351230	NORTHEAST IOWA TEL. CO.
265	351232	LYNNVILLE TELEPHONE COMPANY
266	351235	FARMERS MUTUAL COOPERATIVE TEL CO (MANILLA)
267	351237	MARNE & ELK HORN TEL. CO.
268	351238	MARTELLE COOP. TEL. ASSN.
269	351239	MASSENA TEL. CO.
270	351241	MECHANICSVILLE TEL. CO.
271	351242	MILES COOP. TEL. ASSN.
272	351243	MILLER TEL. CO.-IA
273	351245	MINBURN TEL. CO.
274	351246	MINERVA VALLEY TEL. CO., INC.
275	351247	MODERN COOP. TEL. CO.
276	351248	MONTEZUMA MUTUAL TEL. CO.
277	351250	MUTUAL TEL. CO. OF MORNING SUN
278	351251	MEDIALPOLIS TEL. CO.
279	351252	MUTUAL TEL. CO.
280	351257	NORTH ENGLISH COOP. TEL. CO.
281	351259	NORTHERN IOWA TEL. CO.
282	351260	NORTHWEST IOWA TEL. CO., INC.
283	351261	NORTHWEST TEL. COOP.
284	351262	COMMUNICATIONS 1 NETWORK, INC.
285	351263	OGDEN TEL. CO.-IA
286	351264	OLIN TEL. CO., INC.
287	351265	ONSLOW COOP. TEL. ASSN.
288	351266	ORAN MUTUAL TEL. CO.
289	351269	PALO COOP. TEL. ASSN.
290	351270	PALMER MUTUAL TEL. CO.
291	351271	PANORA COMMUNICATIONS COOPERATIVE
292	351273	PEOPLES TEL. CO.-IA
293	351274	CENTURYTEL OF POSTVILLE, INC.
294	351275	PRAIRIEBURG TEL. CO., INC.

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Obs	Study Area Code	Study Area Name
295	351276	PRESTON TEL. CO.
296	351277	RADCLIFFE TEL. CO., INC.
297	351278	READLYN TEL. CO.
298	351280	RINGSTED TEL. CO.
299	351282	ROCKWELL COOP. TEL. ASSN.
300	351283	ROYAL TEL. CO.
301	351284	RUTHVEN TEL. EXCH. CO.
302	351285	SAC COUNTY MUTUAL TEL. CO.
303	351291	SCHALLER TEL. CO.
304	351292	SEARSBORO TEL. CO.
305	351293	SHARON TEL. CO.
306	351294	SCRANTON TEL. CO.
307	351298	SOUTH SLOPE COOP. TEL. CO.
308	351301	SOUTHWEST TEL. EXCH., INC.
309	351302	SPRINGVILLE COOP. TEL. ASSN.
310	351303	COOPERATIVE TEL. EXCHANGE
311	351304	SWISHER TEL. CO.
312	351306	SULLY TEL. ASSOC.
313	351307	SUPERIOR TEL. COOP.
314	351308	TEMPLETON TEL. CO.
315	351309	TERRIL TELEPHONE COOPERATIVE
316	351310	TITONKA TEL. CO.
317	351319	VAN BUREN TEL. CO., INC.
318	351320	VAN HORNE COOP. TEL. CO.
319	351322	VENTURA TEL. CO., INC.
320	351324	VILLISCA FARMERS TEL. CO.
321	351326	WALNUT TEL. CO.
322	351328	WEBSTER-CALHOUN COOP. TEL. ASSN.
323	351329	WELLMAN COOP. TEL. ASSN.
324	351331	WEST IOWA TEL. CO.
325	351332	WEST LIBERTY TEL. CO.
326	351334	WESTERN IOWA TEL. ASSN.
327	351335	WESTSIDE INDP. TEL. CO.
328	351336	WILTON TEL. CO.
329	351342	WOOLSTOCK MUT. TEL. ASSN.
330	351343	WYOMING MUTUAL TEL. CO.
331	351344	PRAIRIE TEL. CO., INC.
332	351405	HILLS TEL. CO., INC.-IA
333	351424	MABEL COOP. TEL. CO.-IA
334	361347	ALBANY MUTUAL TEL. ASSN., INC.
335	361348	WILDERNESS VALLEY TELEPHONE COMPANY, INC.
336	361353	CITY OF BARNEsville TEL. CO.
337	361356	BENTON COOP. TEL. CO.
338	361358	BLUE EARTH VALLEY TEL. CO.
339	361362	BRIDGEWATER TEL. CO.
340	361365	CALLAWAY TEL. CO.
341	361372	CLEMENTS TEL. CO.
342	361373	CONSOLIDATED TEL. CO.-MN
343	361375	MID-COMMUNICATIONS, INC. dba HICKORYTECH

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Obs	Study Area Code	Study Area Name
344	361380	DELAVAN TEL. CO.
345	361381	DUNNELL TEL. CO., INC.
346	361384	EASTON TEL. CO.
347	361389	FARMERS MUTUAL TEL. CO.-BELLINGHAM
348	361390	FEDERATED TEL. COOP.
349	361396	GARDONVILLE COOP. TEL. ASSN.
350	361401	HALSTAD TEL. CO.
351	361403	FEDERATED UTILITIES, INC. DBA HANCOCK TEL. CO
352	361404	HARMONY TEL. CO.
353	361405	HILLS TEL. CO., INC.-MN
354	361408	HOME TEL. CO.-MN
355	361409	HUTCHINSON TELEPHONE COMPANY
356	361412	KASSON & MANTORVILLE TEL. CO.
357	361413	MID STATE TEL. CO. DBA KMP TEL. CO.
358	361419	LISMORE COOPERATIVE TELEPHONE CO.
359	361422	LONSDALE TELEPHONE COMPANY
360	361423	LOWRY TELEPHONE COMPANY, LLC
361	361424	MABEL COOPERATIVE TELEPHONE CO.- MN
362	361425	CHRISTENSEN COMMUNICATIONS COMPANY
363	361426	MANCHESTER-HARTLAND TELEPHONE CO.
364	361427	MANKATO CITIZENS TELEPHONE CO dba HICKORYTECH
365	361430	MELROSE TELEPHONE COMPANY
366	361431	MIDWEST TEL. CO.
367	361439	MINNESOTA VALLEY TEL. CO. INC.
368	361440	CANNON VALLEY TELECOM, INC.
369	361443	LORETEL SYSTEMS, INC.
370	361448	OSAKIS TELEPHONE COMPANY
371	361450	PARK REGION MUTUAL TEL. CO.
372	361472	REDWOOD COUNTY TEL. CO.
373	361474	ROTHSAY TELEPHONE COMPANY INC.
374	361475	RUNESTONE TEL. ASSN.
375	361476	SACRED HEART TEL. CO.
376	361479	SCOTT RICE TEL. CO. dba INTEGRA TELECOM
377	361485	SPRING GROVE COOP TEL CO
378	361487	STARBUCK TEL. CO.
379	361494	UPSALA COOPERATIVE TELEPHONE ASSN.
380	361495	VALLEY TEL. CO.-MN
381	361499	CROSSLAKE TELEPHONE COMPANY
382	361500	NORTHERN TELEPHONE COMPANY OF MN
383	361502	WESTERN TELEPHONE COMPANY
384	361505	WIKSTROM TELEPHONE COMPANY INC.
385	361507	WINSTED TELEPHONE COMPANY
386	361508	WINTHROP TEL. CO.
387	361510	WOODSTOCK TELEPHONE COMPANY
388	361512	WOLVERTON TELEPHONE COMPANY
389	361515	ZUMBROTA TELEPHONE COMPANY
390	361654	INTERSTATE TELECOMMUNICATIONS COOP., INC.-MN
391	371530	CONSOLIDATED TELCO, INC.
392	371532	CONSOLIDATED TELEPHONE COMPANY- NE

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Obs	Study Area Code	Study Area Name
393	371555	HAMILTON TELEPHONE COMPANY
394	371562	CONSOLIDATED TELECOM, INC.
395	371563	HOOPER TELEPHONE COMPANY
396	371565	K & M TELEPHONE COMPANY INC.
397	371581	PIERCE TELEPHONE COMPANY
398	371590	SODTOWN TEL. CO.
399	381509	WOLVERTON TEL. CO.
400	381601	ABSARAKA COOP TELEPHONE CO.
401	381614	POLAR COMMUNICATIONS MUTUAL AID CORP (A)
402	381615	GRIGGS COUNTY TELEPHONE COMPANY
403	381622	MOORE & LIBERTY TELEPHONE COMPANY
404	381625	NORTHWEST COMMUNICATIONS COOPERATIVE
405	381631	RED RIVER RURAL TEL. ASSN.
406	381638	MIDSTATE COMMUNICATIONS INC.
407	383303	SRT COMMUNICATIONS, INC.
408	391640	ARMOUR INDEPENDENT TELEPHONE CO.
409	391642	ALLIANCE COMMUNICATIONS COOP., INC. (BALTIC)
410	391649	BERESFORD MUNICIPAL TEL. CO.
411	391650	CITY OF BROOKINGS MUNICIPAL TEL. DEPT.
412	391653	CITY OF FAITH MUNICIPAL TEL CO
413	391654	INTERSTATE TELECOMMUNICATIONS COOP., INC.
414	391657	ALLIANCE COMMUNICATIONS COOP. INC (SPLITROCK)
415	391660	FORT RANDALL TEL. CO. DBA MT. RUSHMORE TEL CO
416	391664	JAMES VALLEY COOPERATIVE TEL CO
417	391669	MCCOOK COOPERATIVE TELEPHONE CO.
418	391671	WEST RIVER TELECOMMUNICATIONS COOP.(MOBRIDGE)
419	391674	ROBERTS COUNTY TEL. COOP. ASSN.
420	391677	SIOUX VALLEY TELEPHONE COMPANY
421	391682	TRI-COUNTY TELCOM, INC.
422	391684	UNION TELEPHONE COMPANY
423	391688	WESTERN TELEPHONE COMPANY
424	401710	MAGAZINE TELEPHONE COMPANY
425	401712	MOUNTAIN VIEW TELEPHONE COMPANY
426	401722	E. RITTER TELEPHONE COMPANY
427	421206	IAMO TELEPHONE COMPANY - MO
428	421759	CRAW-KAN TELEPHONE COOP INC - MO
429	421876	FARBER TELEPHONE COMPANY
430	421893	CHOCTAW TELEPHONE COMPANY
431	421900	KLM TEL. CO.
432	421932	LATHROP TELEPHONE COMPANY
433	421936	PEACE VALLEY TELEPHONE CO.
434	421942	ROCK PORT TEL. CO.
435	431704	LAVACA TELEPHONE CO.- OK
436	431968	BEGGS TELEPHONE COMPANY
437	432141	SANTA ROSA TELEPHONE COOP. INC.
438	442038	BLOSSOM TELEPHONE COMPANY
439	442043	NORTH TEXAS TELEPHONE COMPANY
440	442107	LIVINGSTON TELEPHONE COMPANY
441	462198	PINE DRIVE TEL. CO.

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Obs	Study Area Code	Study Area Name
442	462206	STONEHAM COOPERATIVE TEL. CO.
443	462210	WILLARD TEL. CO.
444	472227	MUD LAKE TELEPHONE COOPERATIVE ASSN. INC.
445	482252	RONAN TEL. CO.
446	500758	DIRECT COMMUNICATIONS CEDAR VALLEY, LLC
447	502279	GUNNISON TEL. CO.
448	502282	MANTI TELEPHONE COMPANY
449	502283	SKYLINE TELECOM
450	522430	MCDANIEL TELEPHONE COMPANY
451	532386	MT. ANGEL TELEPHONE COMPANY
452	532396	ST. PAUL COOP. TEL. ASSN.
453	613005	CIRCLE UTILITIES
454	613026	NORTH COUNTRY TELEPHONE COMPANY

Appendix B
2007 Average Schedule USF Study
Sample Average Schedule Study Areas
Underlying data - Cost per Loop Calculation

Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
100020	6744	3	1.0000	303.08
120043	1642	1	0.5000	483.78
132454	23653	1	0.5000	303.47
140053	846	1	1.4583	369.28
140053	877	1	3.0000	337.89
150076	1406	1	2.5000	356.06
150125	8174	2	1.0000	258.91
170151	21004	2	1.0000	267.65
170156	4890	1	1.0000	371.08
170161	312533	79	1.0000	238.78
170162	54661	10	1.0000	252.17
170175	5181	1	1.0000	379.39
170179	5640	2	2.8405	337.69
170191	11640	8	1.0000	381.33
170193	69219	8	1.0000	281.07
170195	512	1	3.3943	415.62
170196	11840	4	1.0000	320.00
170197	1359	1	1.0000	300.84
170200	2288	1	2.5000	317.19
170210	1362	1	1.0000	357.51
190225	7307	5	3.3593	479.52
190226	33067	4	1.0000	310.42
190237	1408	3	4.1218	483.88
190248	5917	6	1.0000	558.75
190253	2285	1	1.0000	429.01
200258	1419	1	0.5000	489.66
220324	4384	1	2.5000	336.43
220364	6984	4	2.6931	367.77
220375	7532	3	1.0000	576.00
220387	22884	2	1.0000	296.04
230491	110757	3	1.0000	365.56
230494	1812	1	2.5000	390.52
230497	3166	2	2.5000	544.48
230501	35143	12	1.0000	379.75
230505	3327	3	2.5000	511.76
230511	29464	10	1.0000	383.21
240516	16972	3	1.0000	480.38
240532	648	1	3.8771	392.78
240541	2238	1	2.5000	600.78
240546	16148	7	1.0000	364.76
250283	11405	3	1.0000	304.62
250311	2417	4	3.2876	547.71
250312	7345	1	1.0000	268.91
260396	6561	7	3.3047	475.47
260398	26628	8	1.0000	262.63
260417	2134	1	2.5000	429.11

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Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
260419	8047	6	1.0000	387.74
287449	873	1	3.1176	554.95
290553	34079	17	1.0000	454.28
290554	12442	5	1.5000	512.83
290559	21856	1	1.0000	376.89
290565	25861	10	1.0000	451.75
290570	5984	5	1.5000	496.76
300585	842	1	3.0969	532.38
300591	1597	1	3.0018	322.87
300594	10294	2	1.0000	431.46
300609	3734	1	1.0000	420.31
300614	837	1	3.0610	588.88
300625	1531	1	2.5000	450.79
300633	713	1	2.5285	485.47
300634	3161	1	2.5000	512.95
300639	1185	1	2.5000	414.31
300645	1190	1	2.5004	380.08
300650	1535	2	2.5000	270.66
300651	407	1	3.3823	231.29
300656	1309	1	2.6290	492.42
300659	9632	2	3.0095	403.11
310675	4701	4	1.0000	399.35
310676	6965	4	4.6239	505.29
310678	1354	1	2.5000	404.60
310688	1427	1	1.0000	518.24
310725	1168	1	2.5000	476.12
320744	1729	3	3.6982	525.24
320756	1090	1	2.5000	674.67
320777	2774	1	2.5000	388.65
320796	1058	1	3.0281	589.95
320834	3538	1	2.5000	565.05
320837	755	1	3.1579	532.16
320839	1101	1	2.6639	514.87
330842	6915	3	1.0000	336.43
330848	210	2	2.5000	1135.78
330881	31586	2	1.0000	339.30
330889	1961	2	2.7389	491.28
330896	1663	2	3.5311	438.31
330944	9028	2	1.0000	283.13
330946	1128	2	3.6471	516.18
330951	2971	1	2.5000	263.33
330955	10705	1	1.0000	370.64
330960	4087	6	5.0119	469.18
330967	3850	1	2.5000	285.89
330968	7545	1	1.0000	345.12
341016	7650	2	1.0000	358.57

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Sample Average Schedule Study Areas
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Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
341024	2378	7	2.8785	572.01
341050	3515	1	2.5000	485.42
341086	526	1	3.5944	610.26
341087	731	1	2.7197	693.09
341092	87	1	2.5000	584.22
351098	322	1	4.0636	742.77
351112	1145	3	3.8890	593.24
351118	1756	2	3.9410	574.45
351121	136	1	2.5000	751.40
351146	360	1	4.4031	670.03
351150	606	1	3.2313	789.10
351153	780	1	2.7988	468.49
351160	1232	2	5.0409	374.30
351166	1109	1	3.2123	413.72
351168	1929	7	1.0000	915.08
351171	1942	1	2.5000	334.83
351174	1188	3	2.5000	812.36
351176	680	1	3.5437	575.75
351188	558	1	1.0000	579.86
351189	913	2	2.5000	304.66
351206	422	2	7.6519	800.03
351212	3361	1	1.0000	318.57
351213	605	2	1.0000	1013.53
351220	1830	2	3.1112	431.78
351232	663	1	4.6978	524.22
351243	100	1	2.5000	382.04
351251	2336	3	2.5934	388.17
351252	5179	1	2.5000	349.52
351260	5652	3	1.0000	453.91
351271	1957	1	4.7518	333.17
351274	1739	1	1.0000	315.37
351280	372	1	3.4325	783.71
351283	456	1	1.0000	892.57
351291	1755	4	1.0000	585.33
351292	319	1	1.0000	1286.03
351297	2274	11	3.0300	862.02
351298	14266	6	1.0000	355.43
351301	747	3	2.8579	796.41
351305	678	1	2.8948	403.85
351307	177	1	5.9575	941.35
351309	456	1	1.0000	690.29
351319	2873	6	3.0081	342.58
351320	596	1	1.0000	1000.66
351324	1147	2	4.3112	764.28
351326	750	1	2.5478	915.06
351328	4658	16	3.5135	528.18

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2007 Average Schedule USF Study
Sample Average Schedule Study Areas
Underlying data - Cost per Loop Calculation

Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
351331	4951	6	1.0000	513.52
351337	6593	16	1.5000	545.43
351343	639	1	3.2706	489.18
351405	2055	7	1.0000	462.63
361358	7107	7	1.0000	449.23
361362	8540	2	1.0000	398.24
361373	10086	10	2.8174	405.47
361375	8923	11	1.0000	387.63
361384	281	1	1.0000	444.59
361389	1095	4	3.2058	792.56
361401	1507	10	2.5000	1122.72
361403	856	1	2.6570	275.55
361409	12115	1	1.0000	378.18
361412	4642	3	2.5000	395.39
361422	1866	1	2.5000	888.21
361425	1625	1	2.5000	470.62
361427	31952	1	1.0000	304.98
361431	2806	4	2.5000	444.66
361439	918	3	2.7858	711.44
361443	12294	9	2.5443	300.80
361479	18048	3	1.0000	344.75
361494	1138	1	2.5000	605.15
361495	774	2	1.0000	613.58
361502	2309	2	4.5614	414.16
371530	1543	5	0.5000	695.57
371532	2803	15	0.7500	1195.58
371555	5861	9	1.5789	402.47
371590	87	1	3.0000	484.50
381601	51	1	2.5000	817.13
381631	4941	13	4.7806	590.98
383303	37938	25	1.0000	310.34
391650	12349	1	0.5000	271.68
391654	13695	26	0.7500	611.20
391654	13695	26	3.0000	611.20
391660	6296	8	3.0000	453.67
391664	3953	14	0.5000	727.83
391669	2147	6	0.5000	686.65
391671	2444	1	3.0000	399.90
391674	2037	8	1.5078	1198.41
391677	5089	5	0.5000	475.71
391677	5170	5	3.0000	406.47
391684	1697	2	2.1283	474.79
391688	1089	3	1.6963	522.05
401712	7305	8	1.0000	286.27
421893	593	1	3.5759	761.66
421932	1478	1	2.5000	516.01

Appendix B
2007 Average Schedule USF Study
Sample Average Schedule Study Areas
Underlying data - Cost per Loop Calculation

Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
421942	1837	3	2.6786	533.62
431704	1333	1	0.5000	486.82
431704	1333	1	3.0000	486.82
431968	1855	1	1.2500	632.95
442038	1357	1	3.0000	418.07
442038	1369	1	0.5000	399.89
442043	856	2	2.4144	533.92
442107	7465	1	0.5000	457.43
462206	76	1	1.2500	415.82
502282	3108	2	5.5530	407.93
522430	4379	3	2.9999	400.14
532396	591	1	3.2954	618.87
532399	7561	1	1.0000	436.77
613026	195	1	1.2500	483.20
613026	176	1	3.0000	394.93

Appendix C
2007 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
1	100005	788	1	788	3,169	467.08	2,459	-0.63	-22.40
2	100015	11236	7	1605	17,506	436.31	16,329	-0.07	-6.72
3	100019	6243	6	1041	20,007	457.55	16,255	-0.56	-18.75
4	100020	6572	3	2191	0	414.24	1,694	0.26	100.00
5	100022	8888	3	2963	0	385.17	0	0.00	0.00
6	120042	480	1	480	5,161	595.65	5,087	-0.24	-1.43
7	120043	1729	1	1729	2,036	431.64	2,075	0.05	1.92
8	132454	21090	1	22556	0	310.83	0	0.00	0.00
9	140053	906	1	906	3,230	462.63	2,608	-0.73	-19.26
10	140064	3654	6	609	23,878	522.20	22,310	-0.37	-6.57
11	150076	1369	1	1369	2,932	445.20	2,649	-0.06	-9.65
12	150112	4580	2	2290	0	410.51	255	0.06	100.00
13	150125	7994	2	3997	0	369.23	0	0.00	0.00
14	170145	2925	1	2925	0	386.60	0	0.00	0.00
15	170151	20596	2	10298	0	310.83	0	0.00	0.00
16	170156	4674	1	4674	0	359.35	0	0.00	0.00
17	170161	298947	79	3784	0	310.83	0	0.00	0.00
18	170162	53619	10	5362	0	310.83	0	0.00	0.00
19	170165	55098	6	9183	0	310.83	0	0.00	0.00
20	170171	1349	1	1349	3,146	445.95	2,665	-0.35	-15.29
21	170175	5323	1	5323	0	349.88	0	0.00	0.00
22	170179	5858	2	2929	0	386.45	0	0.00	0.00
23	170191	11657	8	1457	22,864	441.88	20,458	-0.14	-10.52
24	170193	65270	8	8159	0	310.83	0	0.00	0.00
25	170195	509	1	509	4,958	579.14	4,869	-0.08	-1.80
26	170196	12088	4	3022	0	383.45	0	0.00	0.00
27	170197	1376	1	1376	3,075	444.93	2,642	-0.28	-14.08
28	170200	2274	1	2274	0	411.12	202	0.09	100.00
29	170204	2853	2	1427	5,812	443.01	5,182	-0.14	-10.84
30	170210	1369	1	1369	3,076	445.20	2,649	-0.27	-13.88
31	170215	883	1	883	3,261	463.50	2,584	-0.60	-20.76
32	170277	39	1	39	959	846.73	1,025	1.69	6.88
33	190219	4265	2	2133	628	416.43	1,605	0.23	155.57
34	190220	162	1	162	3,295	776.70	3,550	1.06	7.74
35	190225	7406	5	1481	13,943	440.98	12,636	-0.11	-9.37
36	190226	33024	4	8256	0	310.83	0	0.00	0.00
37	190236	1087	1	1087	3,338	455.82	2,728	-0.55	-18.27
38	190237	1412	3	471	15,485	600.77	15,415	0.04	-0.45
39	190238	1727	5	345	25,769	672.51	26,597	0.34	3.21
40	190239	923	1	923	3,277	461.99	2,625	-0.63	-19.90
41	190243	2880	2	1440	5,866	442.52	5,154	-0.20	-12.14
42	190248	6332	6	1055	20,011	457.02	16,305	-0.58	-18.52
43	190250	25394	9	2822	0	390.48	0	0.00	0.00
44	190253	2283	1	2283	0	410.78	161	0.07	100.00
45	200258	1451	1	1451	2,917	442.11	2,565	-0.20	-12.07
46	220324	4147	1	4147	0	367.04	0	0.00	0.00
47	220364	7004	4	1751	7,767	430.81	8,092	0.07	4.18
48	220375	7603	3	2534	0	401.33	0	0.00	0.00
49	220380	5597	6	933	19,681	461.62	15,807	-0.64	-19.68
50	220387	21932	2	10966	0	310.83	0	0.00	0.00
51	220389	6798	3	2266	0	411.42	714	0.11	100.00
52	220395	4246	3	1415	8,761	443.47	7,817	-0.14	-10.78
53	230478	2316	1	2316	0	409.54	7	0.00	100.00
54	230491	107530	3	35843	0	310.83	0	0.00	0.00

Appendix C
2007 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
55	230494	1840	1	1840	1,691	427.46	1,792	0.06	5.97
56	230495	4495	1	4495	0	361.96	0	0.00	0.00
57	230496	9969	7	1424	20,934	443.13	18,170	-0.25	-13.20
58	230497	3181	2	1591	4,952	436.84	4,714	-0.02	-4.81
59	230500	1240	1	1240	3,246	450.06	2,726	-0.35	-16.02
60	230501	36153	12	3013	0	383.58	0	0.00	0.00
61	230503	14586	6	2431	0	405.20	0	0.00	0.00
62	230505	3352	3	1117	9,979	454.69	8,209	-0.42	-17.74
63	230511	29840	10	2984	0	384.38	0	0.00	0.00
64	240515	5148	1	5148	0	352.44	0	0.00	0.00
65	240516	16528	3	5509	0	347.17	0	0.00	0.00
66	240532	621	1	621	3,876	515.37	3,562	-0.47	-8.10
67	240535	802	1	802	3,160	466.55	2,479	-0.68	-21.55
68	240536	14661	6	2444	0	404.71	0	0.00	0.00
69	240541	2222	1	2222	0	413.07	432	0.19	100.00
70	240546	16442	7	2349	0	408.29	0	0.00	0.00
71	250283	11525	3	3842	0	371.49	0	0.00	0.00
72	250285	979	1	979	3,335	459.89	2,673	-0.42	-19.85
73	250301	2123	2	1062	6,676	456.76	5,437	-0.47	-18.56
74	250311	2382	4	596	15,361	529.60	15,498	0.39	0.89
75	250312	7283	1	7283	0	321.29	0	0.00	0.00
76	250322	4577	4	1144	13,287	453.67	10,955	-0.45	-17.55
77	260396	6204	7	886	22,819	463.39	18,116	-0.61	-20.61
78	260398	26296	8	3287	0	379.59	0	0.00	0.00
79	260408	6593	3	2198	0	413.98	1,607	0.24	100.00
80	260412	1360	1	1360	3,044	445.54	2,656	-0.20	-12.75
81	260414	16597	7	2371	0	407.46	0	0.00	0.00
82	260417	2110	1	2110	131	417.29	893	0.36	581.68
83	260419	7936	6	1323	19,050	446.93	16,098	-0.36	-15.50
84	270428	1262	1	1262	2,835	449.23	2,717	0.28	-4.16
85	280451	1906	1	1906	794	424.98	1,600	0.45	101.51
86	280460	5724	4	1431	11,564	442.86	10,349	-0.13	-10.51
87	280467	981	1	981	3,338	459.81	2,674	-0.36	-19.89
88	287449	833	1	833	3,225	465.38	2,522	-0.59	-21.80
89	290553	34983	17	2058	9,881	419.25	18,512	0.25	87.35
90	290554	12678	5	2536	0	401.25	0	0.00	0.00
91	290559	20877	1	20877	0	310.83	0	0.00	0.00
92	290565	26670	10	2667	0	396.32	0	0.00	0.00
93	290570	5801	5	1160	16,584	453.07	13,697	-0.45	-17.41
94	290598	1776	4	444	20,829	616.15	21,096	0.60	1.28
95	300585	734	1	734	3,045	469.11	2,371	-0.73	-22.13
96	300586	1273	1	1273	3,201	448.81	2,712	-0.31	-15.28
97	300588	1162	1	1162	3,309	452.99	2,739	-0.41	-17.23
98	300589	744	1	744	3,266	468.73	2,388	-0.30	-26.88
99	300590	1139	3	380	15,853	652.58	16,123	0.61	1.70
100	300591	623	1	788	2,469	467.08	1,944	-0.71	-21.26
101	300594	10344	2	5172	0	352.09	0	0.00	0.00
102	300604	1756	1	1756	1,858	430.62	2,011	0.12	8.23
103	300609	3571	1	3571	0	375.44	0	0.00	0.00
104	300614	845	1	845	3,179	464.93	2,538	-0.72	-20.16
105	300619	1162	1	1162	3,319	452.99	2,739	-0.47	-17.48
106	300625	1527	1	1527	2,687	439.25	2,462	-0.10	-8.37
107	300633	670	1	670	2,986	487.47	2,830	0.17	-5.22
108	300634	3207	1	3207	0	380.75	0	0.00	0.00

Appendix C
2007 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
109	300639	1330	1	1330	3,159	446.67	2,679	-0.34	-15.19
110	300645	1185	1	1185	3,292	452.13	2,738	-0.39	-16.83
111	300650	1508	2	754	6,115	468.36	4,809	-0.75	-21.36
112	300651	411	1	411	5,296	634.93	5,364	-0.06	1.28
113	300654	751	1	751	3,110	468.47	2,400	-0.66	-22.83
114	300656	1380	1	1380	3,044	444.78	2,639	-0.24	-13.30
115	300659	9670	2	4835	0	357.00	0	0.00	0.00
116	300662	742	1	742	3,040	468.81	2,385	-0.76	-21.55
117	300663	295	1	349	4,618	670.23	4,501	0.83	-2.53
118	300664	927	1	927	3,225	461.84	2,629	-0.79	-18.48
119	310669	4873	1	4873	0	356.45	0	0.00	0.00
120	310675	4887	4	1222	13,123	450.73	10,919	-0.42	-16.79
121	310676	5712	4	1694	7,254	432.96	7,265	0.14	0.15
122	310678	1328	1	1328	3,103	446.74	2,680	-0.23	-13.63
123	310688	1389	1	1389	2,962	444.44	2,630	-0.14	-11.21
124	310692	731	1	731	3,049	469.22	2,365	-0.72	-22.43
125	310694	686	1	686	2,918	478.36	2,559	-0.41	-12.30
126	310703	2288	4	601	14,348	526.76	14,535	0.56	1.30
127	310725	1139	1	1139	3,326	453.86	2,738	-0.47	-17.68
128	310735	1072	1	1072	3,134	456.38	2,723	-0.44	-13.11
129	320744	1667	3	556	13,065	552.38	13,157	0.42	0.70
130	320750	2205	1	2205	0	413.72	506	0.23	100.00
131	320751	2425	2	1213	6,516	451.07	5,463	-0.34	-16.16
132	320756	1098	1	1098	3,335	455.40	2,731	-0.48	-18.11
133	320771	533	1	533	4,656	565.47	4,643	0.29	-0.28
134	320777	2717	1	2717	0	394.43	0	0.00	0.00
135	320778	2101	1	2101	4	417.63	927	0.44	23075.00
136	320792	2906	1	2909	0	387.20	0	0.00	0.00
137	320796	1031	1	1031	3,338	457.93	2,706	-0.47	-18.93
138	320809	1773	3	591	12,604	532.45	11,810	-0.37	-6.30
139	320816	428	1	428	5,196	625.26	5,328	1.32	2.54
140	320826	1059	1	1059	3,337	456.87	2,718	-0.44	-18.55
141	320827	1748	1	1748	1,911	430.93	2,031	0.10	6.28
142	320829	4522	1	4522	0	361.57	0	0.00	0.00
143	320830	3305	4	826	12,719	465.65	10,056	-0.68	-20.94
144	320837	776	1	776	3,090	467.53	2,440	-0.75	-21.04
145	320839	958	1	958	3,334	460.68	2,657	-0.40	-20.31
146	330842	6969	3	2323	0	409.27	0	0.00	0.00
147	330843	5078	3	1693	6,692	433.00	6,469	-0.02	-3.33
148	330846	4503	2	2252	0	411.95	602	0.13	100.00
149	330847	876	1	876	3,225	463.76	2,576	-0.68	-20.12
150	330848	209	2	105	4,784	809.16	5,004	1.48	4.60
151	330849	1439	1	1439	2,947	442.56	2,578	-0.22	-12.52
152	330850	3273	1	3273	0	379.79	0	0.00	0.00
153	330851	1995	1	1995	697	421.62	1,312	0.32	88.24
154	330856	3569	2	1785	3,338	429.53	3,876	0.19	16.12
155	330865	1620	1	1620	2,384	435.75	2,305	0.00	-3.31
156	330866	1303	2	652	6,553	497.72	6,228	-0.09	-4.96
157	330868	2381	3	794	9,405	466.85	7,399	-0.70	-21.33
158	330872	1847	1	1847	1,742	427.20	1,773	0.02	1.78
159	330875	1194	1	1194	3,292	451.79	2,736	-0.41	-16.89
160	330879	3450	3	1150	9,982	453.45	8,217	-0.50	-17.68
161	330880	6248	4	1562	10,324	437.93	9,628	-0.06	-6.74
162	330881	31997	2	15999	0	310.83	0	0.00	0.00

Appendix C
2007 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
163	330889	2010	2	1005	6,628	458.91	5,382	-0.64	-18.80
164	330892	1659	1	1659	2,344	434.28	2,229	-0.05	-4.91
165	330896	1652	2	826	6,357	465.65	5,026	-0.68	-20.94
166	330900	3301	2	1651	4,799	434.58	4,488	-0.08	-6.48
167	330902	2412	2	1206	6,553	451.34	5,469	-0.37	-16.54
168	330905	2510	2	1255	6,445	449.49	5,440	-0.33	-15.59
169	330914	6156	5	1231	16,291	450.40	13,645	-0.37	-16.24
170	330915	5162	1	5162	0	352.23	0	0.00	0.00
171	330925	2368	1	2368	0	407.58	0	0.00	0.00
172	330930	3745	5	749	15,220	468.55	11,982	-0.77	-21.27
173	330938	8955	4	2239	0	412.43	1,431	0.16	100.00
174	330943	3613	2	1807	3,457	428.70	3,761	0.11	8.79
175	330944	9068	2	4534	0	361.39	0	0.00	0.00
176	330945	2647	2	1324	6,236	446.89	5,364	-0.25	-13.98
177	330946	1132	2	566	8,398	546.68	8,531	0.50	1.58
178	330949	2713	1	2713	0	394.58	0	0.00	0.00
179	330951	2984	1	2984	0	384.38	0	0.00	0.00
180	330955	10348	1	10348	0	310.83	0	0.00	0.00
181	330960	4063	6	677	17,541	483.49	16,288	-0.13	-7.14
182	330962	4641	4	1160	13,225	453.07	10,958	-0.40	-17.14
183	330966	7527	8	941	26,250	461.32	21,136	-0.64	-19.48
184	330967	3900	1	3900	0	370.64	0	0.00	0.00
185	330968	7571	1	7571	0	317.08	0	0.00	0.00
186	330970	6278	5	1256	16,055	449.45	13,592	-0.30	-15.34
187	340976	4134	13	318	66,069	687.88	67,638	0.86	2.37
188	340983	1612	2	861	6,089	464.33	4,789	-0.71	-21.35
189	340990	283	1	283	4,846	707.81	4,983	8.46	2.83
190	340993	580	1	580	4,041	538.71	4,082	0.41	1.01
191	340998	571	1	571	3,719	543.84	4,202	1.54	12.99
192	341016	7651	2	3826	0	371.72	0	0.00	0.00
193	341017	1216	1	1216	3,236	450.96	2,732	-0.28	-15.57
194	341021	102	1	102	2,307	810.86	2,453	1.43	6.33
195	341024	2227	7	318	36,211	687.88	36,437	1.52	0.62
196	341029	1475	2	738	6,046	468.96	4,752	-0.78	-21.40
197	341041	93	1	93	1,968	815.99	2,266	1.21	15.14
198	341046	164	1	164	3,389	775.56	3,582	1.18	5.69
199	341050	3402	1	3402	0	377.91	0	0.00	0.00
200	341053	3909	2	1955	1,241	423.13	2,890	0.44	132.88
201	341054	4385	13	337	67,156	677.07	68,782	0.78	2.42
202	341062	571	1	571	4,066	543.84	4,202	0.67	3.34
203	341075	525	1	525	4,708	570.03	4,723	0.39	0.32
204	341086	534	1	534	4,708	564.90	4,633	0.07	-1.59
205	341087	706	1	706	2,998	470.17	2,321	-0.75	-22.58
206	341092	82	1	82	2,268	822.25	2,030	2.08	-10.49
207	351097	367	1	367	5,254	659.99	5,365	0.53	2.11
208	351098	343	1	343	5,256	673.65	5,307	1.42	0.97
209	351101	903	1	903	3,229	462.75	2,606	-0.73	-19.29
210	351107	325	1	325	5,124	683.90	5,237	0.86	2.21
211	351108	161	1	161	3,570	777.27	3,534	1.67	-1.01
212	351112	1120	3	373	15,630	656.57	16,133	-0.12	3.22
213	351113	1517	1	1517	2,663	439.62	2,477	-0.05	-6.98
214	351114	423	1	423	5,285	628.10	5,340	0.33	1.04
215	351115	2563	4	721	11,215	469.60	8,346	-0.76	-25.58
216	351118	1840	2	920	6,461	462.11	5,245	-0.75	-18.82

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
217	351119	434	1	434	5,173	621.84	5,310	1.30	2.65
218	351121	137	1	137	3,149	790.94	3,124	1.67	-0.79
219	351125	5662	3	1887	4,100	425.69	4,971	0.17	21.24
220	351126	189	2	95	4,497	814.85	4,592	1.58	2.11
221	351130	754	1	754	3,107	468.36	2,405	-0.67	-22.59
222	351133	774	4	194	15,591	758.48	16,079	1.21	3.13
223	351136	641	1	641	3,526	503.98	3,281	-0.26	-6.95
224	351137	602	2	301	9,827	697.56	10,214	0.62	3.94
225	351139	1530	4	383	21,114	650.88	21,495	0.44	1.80
226	351141	786	1	786	3,084	467.15	2,455	-0.78	-20.40
227	351146	355	1	355	5,233	666.82	5,341	0.71	2.06
228	351147	939	1	939	3,292	461.39	2,640	-0.61	-19.81
229	351149	273	1	273	4,747	713.50	4,904	0.89	3.31
230	351150	592	1	592	3,972	531.88	3,925	0.18	-1.18
231	351152	1493	2	747	6,054	468.62	4,783	-0.79	-20.99
232	351153	761	1	761	3,052	468.09	2,416	-0.78	-20.84
233	351157	710	2	355	10,477	666.82	10,682	0.77	1.96
234	351160	1106	2	553	8,223	554.09	8,848	1.19	7.60
235	351162	1326	2	663	6,282	491.46	5,888	-0.15	-6.27
236	351166	1417	1	1417	3,119	443.39	2,603	-2.00	-16.54
237	351168	1818	7	260	32,109	720.91	33,498	0.78	4.33
238	351169	530	1	530	4,691	567.18	4,673	0.27	-0.38
239	351171	1968	1	1968	988	422.64	1,403	0.22	42.00
240	351172	2253	4	563	16,702	548.39	17,220	0.67	3.10
241	351173	2515	4	629	14,829	510.82	13,805	-0.30	-6.91
242	351174	1111	3	370	15,817	658.28	16,122	0.71	1.93
243	351175	386	1	386	5,288	649.17	5,382	0.49	1.78
244	351176	687	1	687	2,941	477.79	2,542	-0.41	-13.57
245	351177	1583	4	396	21,156	643.47	21,506	0.92	1.65
246	351179	327	1	327	5,074	682.76	5,246	0.48	3.39
247	351188	556	1	556	4,313	552.38	4,388	0.54	1.74
248	351189	931	2	466	10,303	603.62	10,330	0.28	0.26
249	351191	612	1	612	2,980	520.49	3,680	1.95	23.49
250	351195	1966	4	492	19,404	588.82	19,995	1.00	3.05
251	351199	463	1	463	5,189	605.33	5,187	0.14	-0.04
252	351202	742	1	742	2,992	468.81	2,385	-0.83	-20.29
253	351203	804	1	804	3,090	466.48	2,482	-0.80	-19.68
254	351205	1693	2	847	6,424	464.86	5,079	-0.65	-20.94
255	351206	399	2	200	7,969	755.07	8,204	1.22	2.95
256	351209	1427	3	476	15,324	597.93	15,325	0.24	0.01
257	351212	3391	1	3391	0	378.07	0	0.00	0.00
258	351213	335	1	335	5,128	678.20	5,278	0.54	2.93
259	351217	970	3	323	15,107	685.04	15,698	0.43	3.91
260	351220	1816	2	908	6,560	462.56	5,221	-0.59	-20.41
261	351222	739	1	739	2,996	468.92	2,379	-0.82	-20.59
262	351225	1879	4	470	20,512	601.34	20,580	0.33	0.33
263	351228	262	1	262	4,722	719.77	4,809	1.18	1.84
264	351230	1976	3	659	10,229	493.74	9,019	-0.57	-11.83
265	351232	487	1	487	5,224	591.66	5,039	-4.08	-3.54
266	351235	614	1	614	4,028	519.36	3,654	-0.64	-9.29
267	351237	1525	4	381	21,089	652.01	21,532	0.38	2.10
268	351238	308	1	308	4,975	693.58	5,149	0.62	3.50
269	351239	637	2	319	10,148	687.31	10,400	0.76	2.48
270	351241	757	1	757	3,097	468.25	2,410	-0.70	-22.18

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
271	351242	700	1	700	2,966	470.39	2,309	-0.78	-22.15
272	351243	95	1	95	2,229	814.85	2,308	1.55	3.54
273	351245	413	1	413	5,286	633.80	5,361	0.66	1.42
274	351246	797	2	399	10,590	641.77	10,743	0.84	1.44
275	351247	932	4	233	17,393	736.28	18,068	1.02	3.88
276	351248	2075	2	1038	6,675	457.66	5,415	-0.41	-18.88
277	351250	617	1	617	3,684	517.65	3,615	0.12	-1.87
278	351251	2328	3	776	9,326	467.53	7,320	-0.71	-21.51
279	351252	5339	1	5339	0	349.65	0	0.00	0.00
280	351257	875	1	875	3,214	463.80	2,575	-0.71	-19.88
281	351259	2361	7	337	36,183	677.07	37,034	0.81	2.35
282	351260	4855	3	1618	1,579	435.82	6,927	1.18	338.70
283	351261	1328	4	332	20,368	679.91	21,066	0.46	3.43
284	351262	665	1	665	2,966	490.32	2,912	0.30	-1.82
285	351263	1807	1	1807	1,673	428.70	1,881	0.14	12.43
286	351264	710	2	355	10,493	666.82	10,682	0.87	1.80
287	351265	225	1	225	4,264	740.83	4,426	1.05	3.80
288	351266	254	1	254	4,529	724.32	4,734	0.81	4.53
289	351269	548	1	548	4,875	556.93	4,481	-1.09	-8.08
290	351270	284	1	284	4,804	707.24	4,990	0.71	3.87
291	351271	1980	1	1980	1,059	422.19	1,363	0.16	28.71
292	351273	799	1	799	3,118	466.66	2,475	-0.75	-20.62
293	351274	1764	1	1764	1,927	430.32	1,991	0.06	3.32
294	351275	206	1	206	4,110	751.65	4,191	1.32	1.97
295	351276	1296	2	648	6,997	500.00	6,354	-0.43	-9.19
296	351277	488	1	488	5,020	591.09	5,032	0.35	0.24
297	351278	1358	1	1358	3,319	445.61	2,658	-0.87	-19.92
298	351280	372	1	372	5,284	657.14	5,372	0.89	1.67
299	351282	1264	4	316	20,126	689.02	20,771	0.65	3.20
300	351283	454	1	454	5,157	610.45	5,231	0.71	1.43
301	351284	750	1	750	3,049	468.51	2,398	-0.76	-21.35
302	351285	1038	2	519	9,621	573.44	9,559	0.19	-0.64
303	351291	1820	4	455	21,037	609.88	20,905	-0.33	-0.63
304	351292	469	1	469	5,224	601.91	5,154	-3.44	-1.34
305	351293	1139	2	570	8,444	544.41	8,422	0.30	-0.26
306	351294	527	1	527	4,725	568.89	4,703	0.25	-0.47
307	351298	12698	5	2540	0	401.10	0	0.00	0.00
308	351301	732	3	244	13,634	730.02	13,904	1.20	1.98
309	351302	1200	1	1200	3,264	451.56	2,735	-0.32	-16.21
310	351303	623	2	312	9,996	691.30	10,326	0.63	3.30
311	351304	951	1	951	3,306	460.94	2,651	-0.57	-19.81
312	351306	820	1	820	5,963	465.87	2,505	1.00	-57.99
313	351307	325	1	325	3,686	683.90	5,237	-3.92	42.08
314	351308	392	1	392	5,280	645.75	5,381	0.08	1.91
315	351309	476	1	476	5,092	597.93	5,112	0.37	0.39
316	351310	546	1	546	4,572	558.07	4,504	0.11	-1.49
317	351319	2862	6	477	30,275	597.36	30,635	0.59	1.19
318	351320	597	1	597	4,115	529.03	3,866	-0.34	-6.05
319	351322	459	1	519	4,466	573.44	4,227	-0.37	-5.35
320	351324	1129	2	565	8,421	547.25	8,549	0.51	1.52
321	351326	732	1	732	3,025	469.19	2,367	-0.76	-21.75
322	351328	4749	16	297	78,923	699.84	81,250	0.79	2.95
323	351329	1317	1	1317	3,146	447.16	2,688	-0.28	-14.56
324	351331	4901	6	817	19,005	465.99	15,002	-0.69	-21.06

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325	351332	3951	2	1976	2,269	422.34	2,752	0.12	21.29
326	351334	3716	8	465	41,321	604.19	41,362	0.29	0.10
327	351335	378	1	378	5,201	653.72	5,378	-0.42	3.40
328	351336	1862	1	1862	1,441	426.63	1,730	0.18	20.06
329	351342	221	1	221	4,297	743.11	4,379	1.29	1.91
330	351343	623	1	623	3,624	514.23	3,535	0.07	-2.46
331	351344	1015	3	338	15,517	676.50	15,885	0.72	2.37
332	351405	2237	7	320	35,466	686.75	36,443	0.69	2.75
333	351424	977	3	326	15,314	683.33	15,707	0.70	2.57
334	361347	3597	3	1199	9,909	451.60	8,206	-0.46	-17.19
335	361348	77	1	77	1,781	825.10	1,920	1.50	7.80
336	361353	1230	1	1230	3,174	450.43	2,728	-0.16	-14.05
337	361356	4929	5	986	16,517	459.62	13,387	-0.65	-18.95
338	361358	6905	7	986	22,747	459.62	18,753	0.16	-17.56
339	361362	8467	2	4234	0	365.77	0	0.00	0.00
340	361365	300	1	300	4,796	698.13	5,101	0.12	6.36
341	361372	203	1	203	3,997	753.36	4,152	1.14	3.88
342	361373	9940	10	994	33,202	459.32	26,834	-0.58	-19.18
343	361375	8965	11	815	34,788	466.06	27,475	-0.69	-21.02
344	361380	300	1	300	4,975	698.13	5,101	0.90	2.53
345	361381	238	1	238	4,407	733.43	4,572	1.00	3.74
346	361384	269	1	269	4,755	715.78	4,870	1.06	2.42
347	361389	1114	4	279	19,020	710.09	19,773	0.74	3.96
348	361390	2177	7	311	35,223	691.87	36,162	0.79	2.67
349	361396	3365	4	841	12,654	465.08	10,134	-0.74	-19.91
350	361401	1857	10	186	32,692	763.04	39,106	0.14	19.62
351	361403	851	1	851	3,144	464.71	2,546	-0.81	-19.02
352	361404	977	2	489	10,007	590.52	10,040	0.38	0.33
353	361405	610	3	203	11,992	753.36	12,477	1.14	4.04
354	361408	2000	3	667	9,993	489.18	8,634	-0.66	-13.60
355	361409	11771	1	11771	0	310.83	0	0.00	0.00
356	361412	4937	3	1646	8,285	434.77	6,763	-0.42	-18.37
357	361413	1964	4	491	20,000	589.39	20,044	0.34	0.22
358	361419	327	1	327	5,128	682.76	5,246	0.83	2.30
359	361422	1912	1	1912	1,377	424.75	1,581	0.11	14.81
360	361423	906	1	906	3,261	462.63	2,608	-0.65	-20.02
361	361424	776	2	388	10,582	648.03	10,764	0.51	1.72
362	361425	1597	1	1597	2,476	436.61	2,347	-0.03	-5.21
363	361426	604	2	302	9,841	696.99	10,226	0.61	3.91
364	361427	30558	1	30558	0	310.83	0	0.00	0.00
365	361430	10626	8	1328	25,104	446.74	21,446	-0.29	-14.57
366	361431	2798	4	700	11,744	470.39	9,231	-0.82	-21.40
367	361439	933	3	311	15,156	691.87	15,498	0.89	2.26
368	361440	1978	4	495	19,770	587.11	19,905	0.48	0.68
369	361443	12338	9	1371	27,607	445.12	23,818	-0.26	-13.72
370	361448	1903	1	1903	1,343	425.09	1,609	0.15	19.81
371	361450	4543	6	757	18,302	468.25	14,462	-0.77	-20.98
372	361472	7532	10	753	30,387	468.40	24,038	-0.78	-20.89
373	361474	570	1	570	4,390	544.41	4,215	-0.17	-3.99
374	361475	4612	9	512	44,394	577.43	43,622	-0.06	-1.74
375	361476	490	1	490	5,097	589.96	5,018	-0.16	-1.55
376	361479	18526	3	6175	0	337.45	0	0.00	0.00
377	361485	1319	2	660	6,926	493.17	5,979	-0.71	-13.67
378	361487	1794	1	1794	1,834	429.19	1,915	0.06	4.42

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379	361494	1150	1	1150	3,326	453.45	2,739	-0.49	-17.65
380	361495	760	2	380	10,580	652.58	10,758	1.08	1.68
381	361499	2499	1	2499	0	402.64	0	0.00	0.00
382	361500	36	1	36	1,075	848.44	950	1.96	-11.63
383	361502	2424	2	1212	6,587	451.11	5,466	-0.45	-17.02
384	361505	6374	18	354	93,645	667.39	96,125	0.49	2.65
385	361507	1579	1	1579	2,412	437.29	2,379	0.06	-1.37
386	361508	1127	1	1127	3,332	454.31	2,737	-0.50	-17.86
387	361510	1327	5	265	23,523	718.06	24,215	1.01	2.94
388	361512	175	1	175	3,600	769.30	3,754	1.23	4.28
389	361515	2204	1	2204	0	413.75	510	0.23	100.00
390	361654	1654	3	551	13,865	555.23	13,349	-0.22	-3.72
391	371530	1593	5	319	25,257	687.31	26,007	0.67	2.97
392	371532	2943	15	196	58,374	757.34	60,928	1.14	4.38
393	371555	5530	9	614	29,624	519.36	32,913	1.06	11.10
394	371562	1193	3	398	15,888	642.34	16,124	0.82	1.49
395	371563	1120	2	560	8,736	550.10	8,680	0.24	-0.64
396	371565	666	2	333	10,310	679.34	10,541	0.80	2.24
397	371581	1803	2	902	6,474	462.78	5,205	-0.70	-19.60
398	371590	89	1	89	2,189	818.27	2,181	1.70	-0.37
399	381509	314	2	157	6,653	779.55	6,937	1.30	4.27
400	381601	49	1	49	1,190	841.04	1,271	1.65	6.81
401	381614	1458	5	292	24,430	702.69	25,205	0.75	3.17
402	381615	1985	4	496	20,020	586.54	19,905	0.16	-0.57
403	381622	968	2	484	10,204	593.37	10,120	0.02	-0.82
404	381625	5291	15	353	77,912	667.96	79,981	0.40	2.66
405	381631	3819	10	382	52,831	651.45	53,789	0.44	1.81
406	381638	1080	3	360	15,579	663.97	16,056	0.18	3.06
407	383303	37605	25	1504	68,453	440.11	62,390	-0.10	-8.86
408	391640	1589	3	530	14,276	567.18	14,011	0.02	-1.86
409	391642	3105	5	621	18,767	515.37	17,809	-0.17	-5.10
410	391649	1502	1	1502	2,917	440.19	2,498	-0.31	-14.36
411	391650	12930	1	12930	0	310.83	0	0.00	0.00
412	391653	383	1	383	5,270	650.88	5,381	0.22	2.11
413	391654	14110	26	543	122,134	559.78	117,892	-0.22	-3.47
414	391657	8017	5	1603	13,681	436.39	11,686	-0.30	-14.58
415	391660	6320	8	790	24,789	467.00	19,691	-0.76	-20.57
416	391664	3910	14	279	66,911	710.09	69,401	0.83	3.72
417	391669	2146	6	358	31,284	665.11	32,058	0.38	2.47
418	391671	2459	1	2459	0	404.15	0	0.00	0.00
419	391674	1990	8	249	35,842	727.17	37,446	0.86	4.48
420	391677	5143	5	1029	16,690	458.00	13,517	-0.48	-19.01
421	391682	424	2	212	8,026	748.24	8,537	0.89	6.37
422	391684	1777	2	889	6,431	463.27	5,177	-0.73	-19.50
423	391688	1109	3	370	15,782	658.28	16,093	0.46	1.97
424	401710	1018	2	509	9,826	579.14	9,737	0.11	-0.91
425	401712	7380	8	923	26,106	461.99	20,991	-0.67	-19.59
426	401722	4211	8	526	37,424	569.46	37,731	0.45	0.82
427	421206	1085	4	271	19,183	714.64	19,567	1.15	2.00
428	421759	2534	6	422	31,681	628.67	32,082	0.43	1.27
429	421876	193	1	193	3,880	759.05	4,016	1.21	3.51
430	421893	593	1	593	4,041	531.31	3,913	-0.03	-3.17
431	421900	1463	4	366	21,033	660.56	21,439	0.63	1.93
432	421932	1521	1	1521	2,881	439.47	2,471	-0.30	-14.23

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433	421936	538	1	538	4,691	562.63	4,591	-0.01	-2.13
434	421942	1816	3	605	11,883	524.48	11,312	-0.19	-4.81
435	431704	1298	1	1298	3,121	447.87	2,699	-0.20	-13.52
436	431968	1824	1	1824	1,647	428.06	1,836	0.12	11.48
437	432141	723	3	241	13,188	731.72	13,810	0.86	4.72
438	442038	1324	1	1324	3,063	446.89	2,683	-0.15	-12.41
439	442043	812	2	406	10,555	637.78	10,743	0.97	1.78
440	442107	7986	1	7986	0	311.03	0	0.00	0.00
441	462198	959	1	959	3,295	460.64	2,658	-0.64	-19.33
442	462206	77	1	77	1,802	825.10	1,920	1.53	6.55
443	462210	64	1	64	1,567	832.50	1,626	1.66	3.77
444	472227	1512	5	302	25,328	696.99	25,599	1.33	1.07
445	482252	3539	2	1770	3,569	430.10	3,953	0.15	10.76
446	500758	2677	5	535	0	564.33	23,128	8.64	100.00
447	502279	1688	1	1688	2,441	433.18	2,167	-0.19	-11.22
448	502282	1531	1	1531	2,698	439.10	2,456	-0.12	-8.97
449	502283	1695	3	565	14,125	547.25	12,835	-1.04	-9.13
450	522430	4434	3	1478	8,763	441.09	7,592	-0.27	-13.36
451	532386	1933	1	1933	920	423.96	1,516	0.33	64.78
452	532396	626	1	626	3,765	512.52	3,494	-0.35	-7.20
453	613005	44	1	44	1,075	843.89	1,149	1.68	6.88
454	613026	180	1	180	3,435	766.45	3,829	0.70	11.47
Total:					4,012,291		3,899,432		